

# HOUSE BILL 898

N2

9lr2648  
CF SB 381

---

By: **Delegates Johnson, Arikan, Cassilly, Chisholm, Crosby, Kerr, Kipke, Krebs,  
Lisanti, Reilly, Szeliga, Terrasa, and Turner**

Introduced and read first time: February 8, 2019

Assigned to: Health and Government Operations

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Trusts – Maryland Trust Act – Methods of Notice**

3 FOR the purpose of authorizing a trustee to provide notice to a person under the Maryland  
4 Trust Act by certain methods; requiring a trustee to receive authorization in writing  
5 from a person entitled to receive notice before providing notice by certain alternative  
6 methods; authorizing a person to revoke a trustee’s authorization to provide notice  
7 by an alternative method; authorizing a trustee to provide notice by an alternative  
8 method until the trustee’s authorization to provide notice by an alternative method  
9 is revoked; requiring a trustee to provide notice to a person by a certain method if  
10 the trustee knows or should know that the person did not receive notice; authorizing  
11 a trustee to provide a person certain notice in a certain manner; making conforming  
12 changes; making a technical correction; defining a certain term; and generally  
13 relating to notice under the Maryland Trust Act.

14 BY renumbering

15 Article – Estates and Trusts  
16 Section 14.5–103(f) through (bb), respectively  
17 to be Section 14.5–103(g) through (cc), respectively  
18 Annotated Code of Maryland  
19 (2017 Replacement Volume and 2018 Supplement)

20 BY repealing and reenacting, without amendments,

21 Article – Estates and Trusts  
22 Section 14.5–103(a)  
23 Annotated Code of Maryland  
24 (2017 Replacement Volume and 2018 Supplement)

25 BY adding to

26 Article – Estates and Trusts  
27 Section 14.5–103(f)

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2017 Replacement Volume and 2018 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article – Estates and Trusts  
5 Section 14.5–109 and 14.5–813  
6 Annotated Code of Maryland  
7 (2017 Replacement Volume and 2018 Supplement)

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
9 That Section(s) 14.5–103(f) through (bb), respectively, of Article – Estates and Trusts of the  
10 Annotated Code of Maryland be renumbered to be Section(s) 14.5–103(g) through (cc),  
11 respectively.

12 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
13 as follows:

14 **Article – Estates and Trusts**

15 14.5–103.

16 (a) In this title the following words have the meanings indicated.

17 **(F) “DELIVERY ADDRESS” MEANS:**

18 **(1) THE LAST KNOWN PLACE OF RESIDENCE OR PLACE OF BUSINESS**  
19 **OF A PERSON;**

20 **(2) A FACSIMILE NUMBER PROVIDED BY A PERSON FOR THE PURPOSE**  
21 **OF RECEIVING NOTICE; OR**

22 **(3) AN E–MAIL ADDRESS PROVIDED BY A PERSON FOR THE PURPOSE**  
23 **OF RECEIVING NOTICE.**

24 14.5–109.

25 (a) (1) Notice to a person under this title or the sending of a document to a  
26 person under this title shall be accomplished in a manner reasonably suitable under the  
27 circumstances and likely to result in receipt of the notice or document.

28 (2) Permissible methods of notice to a person or for sending a document to  
29 a person under this title include first–class mail, personal delivery, or delivery to the [last  
30 known place of residence or place of business of the person] **PERSON’S DELIVERY**  
31 **ADDRESS.**

32 (3) (i) This paragraph applies to:

- 1                   1.     The proposed termination of a trust;
- 2                   2.     The proposed modification of the administrative or  
3 dispositive terms of a trust;
- 4                   3.     The proposed combination of two or more trusts into a  
5 single trust;
- 6                   4.     The proposed division of a trust into two or more separate  
7 trusts;
- 8                   5.     The proposed resignation of a trustee or cotrustee; or
- 9                   6.     The proposed transfer of the principal place of  
10 administration of a trust.

11                   (ii)   Notwithstanding paragraphs (1) and (2) of this subsection, a  
12 trustee shall provide notice to a person under this title:

- 13                   1.     By personal service; [or]
- 14                   2.     By certified mail **OR FIRST-CLASS MAIL**, postage  
15 prepaid, return receipt requested;

16                   **3.     BY COURIER DELIVERY SERVICE, DELIVERY SERVICE**  
17 **PREPAID, DELIVERY CONFIRMATION REQUESTED; OR**

18                   **4.     IF A PERSON ENTITLED TO RECEIVE NOTICE UNDER**  
19 **THIS TITLE AGREES, IN WRITING, TO ACCEPT AN ALTERNATIVE METHOD OF NOTICE:**

20                   **A.     BY FIRST-CLASS MAIL, POSTAGE PREPAID; OR**

21                   **B.     BY FACSIMILE TRANSMISSION FROM A FACSIMILE**  
22 **DEVICE THAT PRODUCES A CONFIRMATION PAGE THAT SPECIFIES THE DATE AND**  
23 **TIME OF A SUCCESSFUL FACSIMILE TRANSMISSION.**

24                   **(III) 1.   A PERSON MAY REVOKE THE TRUSTEE'S**  
25 **AUTHORIZATION TO PROVIDE NOTICE BY AN ALTERNATIVE METHOD UNDER**  
26 **SUBPARAGRAPH (II)4 OF THIS PARAGRAPH BY PROVIDING NOTICE TO THE TRUSTEE**  
27 **IN A METHOD SPECIFIED UNDER SUBPARAGRAPH (II)1 THROUGH 3 OF THIS**  
28 **PARAGRAPH.**

29                   **2.     A TRUSTEE AUTHORIZED TO PROVIDE NOTICE BY AN**  
30 **ALTERNATIVE METHOD UNDER SUBPARAGRAPH (II)4 OF THIS PARAGRAPH MAY**

1 CONTINUE TO PROVIDE NOTICE BY AN ALTERNATIVE METHOD UNTIL THE PERSON  
2 ENTITLED TO RECEIVE NOTICE REVOKES AUTHORIZATION.

3 (IV) IF A TRUSTEE WHO PROVIDES NOTICE BY AN ALTERNATIVE  
4 METHOD UNDER SUBPARAGRAPH (II)4 OF THIS PARAGRAPH KNOWS OR SHOULD  
5 KNOW THAT THE PERSON DID NOT RECEIVE NOTICE, THE TRUSTEE SHALL PROVIDE  
6 NOTICE TO THE PERSON BY A METHOD SPECIFIED UNDER SUBPARAGRAPH (II)1  
7 THROUGH 3 OF THIS PARAGRAPH.

8 (b) [Notice otherwise] EXCEPT AS EXPRESSLY PROVIDED IN THIS TITLE,  
9 NOTICE required under this title or a document [otherwise] required to be sent under this  
10 title need not be provided:

11 (1) To a person whose identity [or], location, OR DELIVERY ADDRESS is  
12 unknown to and not reasonably ascertainable by the trustee; or

13 (2) By a person to himself or herself.

14 (c) Notice under this title or the sending of a document under this title may be  
15 waived in writing by the person to be notified or sent the document.

16 (d) Notice of a judicial proceeding under this title shall be given as provided in  
17 the applicable rules of civil procedure.

18 14.5–813.

19 (a) Unless unreasonable under the circumstances, a trustee shall promptly  
20 respond to the request of a qualified beneficiary for information related to the  
21 administration of the trust, including a copy of the trust instrument.

22 (b) (1) A trustee:

23 (i) Within 60 days after accepting a trusteeship, shall notify the  
24 qualified beneficiaries of the acceptance and of the trustee's name, address, and telephone  
25 number; and

26 (ii) Within 90 days after the date the trustee acquires knowledge of  
27 the creation of an irrevocable trust, or the date the trustee acquires knowledge that a  
28 formerly revocable trust has become irrevocable, whether by the death of the settlor or  
29 otherwise, shall notify the qualified beneficiaries of the trust's existence, of the identity of  
30 the settlor or settlors, of the right to request a copy of the trust instrument, and of the right  
31 to a trustee's report as provided in subsection (c) of this section.

32 (2) [Notwithstanding § 14.5–109 of this title, notice] NOTICE required  
33 under this subsection shall be:

1 (i) To the extent the names and locations of the qualified  
2 beneficiaries are known to the trustee:

3 1. By delivery of the notice to the qualified beneficiaries  
4 personally; or

5 2. By sending the notice to the qualified beneficiaries at their  
6 [last known address by certified mail, postage prepaid, return receipt requested]  
7 **DELIVERY ADDRESS BY A METHOD OF NOTICE SPECIFIED IN § 14.5–109(A)(3)(II) OF**  
8 **THIS TITLE;** and

9 (ii) If the name, location, or both of a qualified beneficiary is not  
10 known to the trustee, by publication in a newspaper of general circulation in the county  
11 where the trust property is located once a week for 3 successive weeks.

12 (c) (1) On request by a qualified beneficiary, a trustee shall send to the  
13 qualified beneficiary annually and at the termination of the trust a report of the trust  
14 property, liabilities, receipts, and disbursements, including the source and amount of the  
15 compensation of the trustee, a listing of the trust assets, and, if feasible, the respective  
16 market values of the trust assets.

17 (2) On a vacancy in a trusteeship, unless a cotrustee remains in office, the  
18 former trustee shall send a report to the qualified beneficiaries that request the report.

19 (3) A personal representative, a guardian, or an attorney-in-fact may send  
20 the qualified beneficiaries a report on behalf of the former trustee.

21 (d) (1) A qualified beneficiary may waive the right to a trustee's report or other  
22 information otherwise required to be furnished under this section.

23 (2) A qualified beneficiary, with respect to future reports and other  
24 information, may withdraw a waiver previously given.

25 (3) If a trustee is a qualified beneficiary of the trust for which the trustee  
26 is serving, the trustee is not required to provide himself or herself a trustee's report or other  
27 information required to be furnished under this section.

28 (e) Subsection (b) of this section does not apply to a trustee that accepts a  
29 trusteeship before January 1, 2015, to an irrevocable trust created before January 1, 2015,  
30 or to a revocable trust that becomes irrevocable before January 1, 2015.

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
32 October 1, 2019.