



BYRON E. MACFARLANE
REGISTER OF WILLS FOR HOWARD COUNTY
8360 COURT AVENUE
ELLCOTT CITY, MARYLAND 21043

410-313-2133
Toll Free Number: 1-888-848-0136

FAX 410-313-3409
www.registers.maryland.gov

February 18, 2021

Hon. Luke Clippinger, Chairman
Judiciary Committee
House Office Building, Room 101
Annapolis, Maryland 21401

Re: HB766 – Estates and Trusts – Administration of Estates – Fees

Dear Chairman Clippinger and Members of the Judiciary Committee,

I write to express my strong support for passage of this important legislation. It is the product of substantial research and numerous meetings and conversations among stakeholders, including the Maryland Register of Wills Association, legislators, Orphans' Court Judges, members of the Estates & Trusts Section Council of the Maryland State Bar Association, and members of the Life and Health Planning Committee of Attorney General Frosh's COVID-19 Access to Justice Task Force.

In Maryland each of the 24 Registers of Wills are required by law to charge various fees for the services we provide. House Bill 766 makes several significant changes to our fee schedule using access to justice, basic fairness, and government efficiency as our guiding principles.

This bill eliminates fees in small estates, corrects our regressive probate fee schedule, and makes a series of needed clarifying and technical changes. Allow me to elaborate on each of these objectives:

First, we want to take the bold step of eliminating fees for all estates in Maryland valued under \$50,000. These estates comprise 64% – nearly two-thirds – of all probate estates in Maryland. The fees charged range from \$2 to \$150 depending on the estate's value. While this may not seem like a lot to some of us, some families struggle to pay these fees. Some are forced to pay with a credit card because they have no cash and sometimes, we have to set up payment

plans for them. While these fees present a hardship for some of our grieving families, they also produce little benefit to the state. The fees for 64% of our estates account for 0.98% of our statewide revenue. This fee is truly nickel-and-diming families with the smallest estates and from an access to justice perspective and from a public management perspective hard to justify retaining. By eliminating these fees, we'll be easing the financial strain on Maryland families and streamlining government at the same time.

Second, this bill takes our current regressive fee structure and replaces it with a level playing field. Under current law, smaller estates pay a disproportionately high fee compared to larger estates. For example, a \$20,000 estate pays a \$150 probate fee, which is 0.75% of its value. A \$5 million estate pays a \$25,000 fee, which is 0.05% of its value. An estate worth 250 times as much pays a fee that's only 17 times as high. Under our proposal, estates under \$50,000 would pay no fee (63% of estates), estates from \$50,000 but under \$250,000 would pay a lower fee (14% of estates), estates from \$250,000 but under \$500,000 would pay the same fee (13% of estates), and it would only be estates at or above \$500,000 that would have a higher fee (less than 10% of estates). See the enclosed graphs that help illustrate the need for this overhaul and the effect it will have on estates in Maryland. This proposal corrects a regressive fee structure that has been on the books for decades and implements one that is fundamentally fair for everyone.

Third, this bill contains several "housekeeping" matters. It provides statutory authority for the Registers to charge the actual cost for mailings and returned check fees. It provides a set dollar amount, \$25, for copies of hearings before the Orphans' Courts. It also clarifies that the filing fee for controversial matters and guardianships is \$20.

Finally, it makes several clarifying and grammatical revisions to update language in a statute that has not been changed in over 30 years.

As I stated previously, the guiding principles of this legislation are improving access to justice in probate proceedings, ensuring basic fairness with the fees charged by the Registers, and increasing efficiency in the probate process. Simply put, everyone involved wins with this bill.

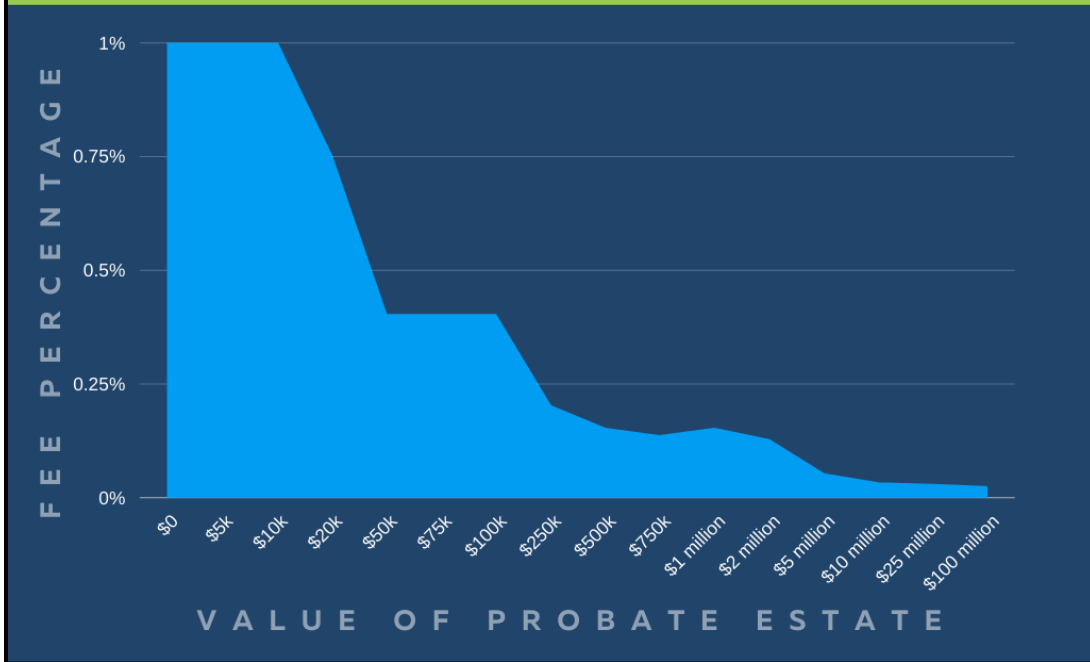
I respectfully urge a favorable report to House Bill 766. Thank you for your time, attention, and service to our great state.

Sincerely,

A handwritten signature in black ink that reads "Byron E. Macfarlane". The signature is written in a cursive, flowing style.

Byron E. Macfarlane

MARYLAND'S PROBATE FEES - BIGGER ESTATES PAY LESS AND LESS



PROPOSED FAIRER FEES FOR PROBATE IN MARYLAND

