



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

January 17, 2022

To: The Honorable Luke Clippinger  
Chair, Judiciary Committee

From: Delegate Jen Terrasa  
District 13, Howard County

Re: Sponsor Testimony in Support of HB 187 Estates and Trusts –  
Administration of Estates – Fees

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Dear Chairman Clippinger, Vice Chair Moon and members of the Judiciary Committee, Thank you for the opportunity to present HB 187, which would improve access to justice in the area of probate, promote basic fairness in the fees the public is charged, and enhance efficiency in the probate process by eliminating small estate fees, correcting a regressive probate fee schedule, and making a series of changes to modernize this section of the code. As some of you may recall, I introduced this bill last Session, but it was not voted on by the committee. In the Interim, we have worked to address the concerns raised in subcommittee.

As you probably know, probate fees come into play during probate - the legal process of transferring probate assets to either their heirs or those named to inherit in their Last Will & Testament. "Probate assets" are only those titled in the sole name of a decedent; they do NOT include assets that are jointly-held or have a designation of beneficiary. So, for example, if you have a house that you hold jointly with your spouse, that would not be a probate asset. Similarly, a joint bank account or life insurance policy with a designated beneficiary would not be part of the probate estate.

HB 187 eliminates the fees for small estates valued up to \$50,000. Under current law, the fees for those estates range from \$2 to \$150. They generate very little revenue, representing less than 1% of the revenue brought in by the 24 Registers of Wills collectively statewide. However, these probate fees can amount to a lot of money for the families living in poverty who have just lost a loved one.

HB 187 also remedies the current regressive fee schedule and adjusts the probate fees for inflation after decades without change to offset these adjustments. Note for any probate estate (only non-titled assets or those not held jointly or with beneficiaries),

valued at under \$500,000 the fee will either be eliminated, reduced, or there will be no change. The chart below lays out the changes being proposed in this bill.

If the Value of the Probate Estate is At Least	But Less Than	Current Fee	Proposed Fee	RESULT	% OF ESTATES
--	\$10,000	\$50	\$0	<b>FEES ELIMINATED</b>	<b>62.50%</b>
\$10,000	\$20,000	\$100	\$0		
\$20,000	\$50,000	\$150	\$0		
\$50,000	\$100,000	\$200	\$100	<b>FEES REDUCED</b>	<b>27.60%</b>
\$100,000	\$500,000	\$400	\$200		
\$500,000	\$1,000,000	\$750	\$1,000	<b>FEES INCREASED</b>	<b>9.90%</b>
\$1,000,000	\$2,500,000	\$1,500	\$2,000		
\$2,500,000	\$5,000,000	\$2,500	\$5,000		
\$5,000,000	--	\$2,500 plus .02% of excess over \$5,000,000	\$10,000 plus .02% of excess over \$10,000,000		

HB 187 stems from recommendations made in 2020 by the Attorney General's COVID-19 Access to Justice Task Force, which was charged with developing strategies and solutions addressing the significant civil, legal challenges facing Marylanders in the wake of COVID-19, and to specifically examine the pandemic's "impact on Marylanders and to make recommendations on how to deploy the legal system to ensure the State's most vulnerable remain housed, fed, safe, secure, employed, healthy, and connected to civil justice." Eliminating the small estate fees was one of the specific recommendations made in the report.

HB 187 improves access to justice in the area of probate, promotes basic fairness in the fees the public is charged, and enhances efficiency in the probate process.

I respectfully urge a favorable report.