



COMMISSION ON AGING

**Montgomery County Commission on Aging
Testimony in Support of SB 101
Senate Judicial Proceedings Committee
February 10, 2015**

Good afternoon Chairman Hammen and members of the Health and Government Operations Committee. My name is DaCosta Mason and I am the First Vice Chair of the Montgomery County Commission on Aging. The Commission identifies issues where its voice on the needs of seniors can make a difference. I come before you today to speak in support of House Bill 186, the Maryland Uniform Real Property Transfer on Death (TOD) Act.

The bill is based on the Uniform Act of the same name approved by the Uniform Law Commissioners in 2009. It enables the owner of real property to pass title to the property to a beneficiary at the owner's death by executing a transfer on death deed while living. The process is simple, direct and without the need for probate. Just as important, the bill permits the owner of the real property to retain all ownership rights in the property while living, including the right to sell, encumber, revoke the TOD deed, or name a different beneficiary. At present, 12 states¹ and the District of Columbia have laws that allow real property owners to execute and record a transfer on death deed.

Non-probate transfers of personal property to beneficiaries have become common. These transfers include beneficiary designations on life insurance policies or pension plans, registration of securities in transfer on death form, and multiple party transfer on death bank accounts. These arrangements automatically transfer the personal property to the designated beneficiary without the need for probate. While many Maryland residents benefit from this trend in the law, such an arrangement does not exist for the transfer of real property. The real property transfer on death deed will make such an arrangement possible.

¹ Alaska, Hawaii, Illinois, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Virginia, Washington, West Virginia

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If this bill is passed, the transfer on death deed will provide attorneys another option as they seek to tailor estate plans to meet the needs and wishes of their clients. The transfer on death deed may also save the beneficiary and family the time and costs of probate. All too often, an individual is required to give up rights as a property owner, such as creating a joint tenancy or a life estate with or without powers, in order to transfer property to a designated beneficiary and avoid probate. For these and other reasons, the Montgomery County Commission on Aging is pleased to support House Bill 186, the Maryland Uniform Real Property Transfer on Death Act.

Thank you for the opportunity to testify today. I am available to answer questions and the Commission is willing to work with you on this legislation.