

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1997.

Approved May 22, 1997.

CHAPTER 664

(House Bill 381)

AN ACT concerning

Recovery by Minor in Tort – Trust Assets

FOR the purpose of allowing a trustee for a minor who recovers in tort to invest or reinvest the proceeds of the check in certain stock funds subject to certain limitations; altering the limit on the ~~amount~~ percentage of trust assets that may be invested in certain money market funds; establishing a certain limit on the percentage of trust assets that may be invested in certain stock funds; establishing a certain limit on the percentage of trust assets that may be invested in any combination of certain money market funds and certain stock funds; providing for the application of this Act; and generally relating to trust assets of a minor who recovers in tort.

BY repealing and reenacting, with amendments,

Article – Estates and Trusts

Section 13-404

Annotated Code of Maryland

(1991 Replacement Volume and 1996 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Estates and Trusts

13-404.

(a) The trustee need not give bond.

(b) (1) A trustee who receives a check under § 13-403 of this subtitle shall:

(i) Subject to paragraph (3) of this subsection, deposit the check in any financial institution as defined in § 13-301 of this title; or

(ii) Invest or reinvest the proceeds of the check, directly or by securities or other interests of a broker or dealer, in [general obligations of or obligations guaranteed by the United States or this State, or other obligations of the United States or this State or of its political subdivisions, agencies, authorities, or municipal corporations that are rated in one of the two highest rating categories by a nationally recognized credit rating agency, or in the form of securities or other interests in any open-end management investment company or investment trust that is registered under, and meets the criteria of