

**CHAPTER 604**

**(House Bill 900)**

AN ACT concerning

**Minors - Tort Awards - Investment**

FOR the purpose of allowing a trustee who receives a check for a tort award for a minor to invest the proceeds of the check in certain obligations; and generally relating to the investment of the proceeds of tort awards to minors.

BY repealing and reenacting, with amendments,

Article - Estates and Trusts

Section 13-404(b)

Annotated Code of Maryland

(1974 Volume and 1990 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.

(b) (1) [The trustee shall deposit the check in any financial institution as defined in § 13-301(i) of this title.] 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(I) OF THIS TITLE; OR

(II) INVEST 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 ANY POLITICAL SUBDIVISION.~~

(2) [The] IF THE TRUSTEE DEPOSITS THE CHECK IN A FINANCIAL INSTITUTION UNDER PARAGRAPH (1) (I) OF THIS SUBSECTION, THE trustee may direct the financial institution to invest the proceeds of the check in a certificate of deposit or other interest bearing account.

(3) Deposits [made] IN A FINANCIAL INSTITUTION under PARAGRAPH (1) (I) OF this [section] SUBSECTION may not exceed the amount of insurance provided for such deposits.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1991.