

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 87 (Senator Conway)

Judicial Proceedings

Estates and Trusts - Adopted Child's Claim to Biological Parent's Estate

This bill authorizes a legally adopted child to make a written claim for distribution of a deceased biological parent's net estate if the child is able to provide proof of biological parentage. The bill sets a time limitation on the right to make a claim, establishes procedural requirements, and allows an adopted child to make a claim for a refund of the payment of the decedent's net estate to either the Department of Health and Mental Hygiene (DHMH) or local boards of education. Under current law an adopted child has no claim to the net estate of the deceased biological parent.

Fiscal Summary

State Effect: Potential minimal decrease in general and federal fund revenues for the Medicaid program. General fund revenues would not be affected.

Local Effect: Potential minimal decrease in county revenues for public schools.

Small Business Effect: None.

Fiscal Analysis

State and Local Effect:

Medicaid and Public School Revenues

Under current law if an individual was a recipient of long-term care benefits under the Maryland Medical Assistance Program at the time of the individual's death and no one claims the net estate, the net estate is converted to cash and paid to DHMH for the administration of the program. If an individual was not a recipient of long-term care benefits under Medicaid at the time of death and no one claims the distribution of the estate, the net

estate is converted to cash and paid to the board of education in the county in which the person died for the use of the public schools in the county. The amount of the revenues currently collected from unclaimed estates by DHMH and the local boards of education is not readily available, but is assumed to be minimal. Under this bill, some of the assets could be claimed and thus revenues to the above programs could decrease by a minimal amount.

General Fund Revenues

If the unclaimed estate has an heir who cannot be found, the direct tax of 1% is applied to the estate before being distributed to DHMH or the local board of education. If there is no known heir, the collateral tax of 10% is applied to the estate before distribution. Therefore, the bill will have no effect on general fund revenues.

Information Source(s): Comptroller of the Treasury (Bureau of Revenue Estimates), Judiciary, Department of Health and Mental Hygiene, Registers of Wills

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