

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 598 (Delegate Doorv. *et al.*)

Judiciary

**Estates and Trusts - Corporate Fiduciaries and Successor Corporate Fiduciaries -
Qualifications and Liabilities**

This bill alters the capital and surplus required to qualify as a corporate fiduciary to include the capital and surplus of a corporation with its principal office in this State if the corporate fiduciary is a trust company as defined by State law and the corporate fiduciary is a wholly owned subsidiary of the corporation. The bill also provides that when a successor fiduciary qualifies as a corporate fiduciary, the following entities are jointly and severally liable with the successor fiduciary for claims against the successor fiduciary when acting in its fiduciary capacity: (1) any bank, trust company, or bank holding company of which a successor fiduciary is a direct or indirect subsidiary or affiliate; or (2) any corporation with a corporate fiduciary subsidiary acting as a successor fiduciary.

Fiscal Summary

State Effect: None. This bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: For purposes of qualifying as a fiduciary, a corporate fiduciary may attribute to its capital and surplus the capital and surplus of any bank, trust company, or bank holding company of which it is a direct or indirect subsidiary or affiliate. Any bank, trust company, or bank holding company of which a successor fiduciary is a direct or indirect subsidiary or affiliate is jointly and severally liable with the successor fiduciary for claims against the

successor fiduciary when acting in its fiduciary capacity.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Assessments and Taxation, Register of Wills,
Department of Legislative Services

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