

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 472

(Senator Edwards)

Education, Health, and Environmental Affairs
and Judicial Proceedings

Environmental Matters

**Environment - Dormant Mineral Interests - Termination by Court Order
Requirements**

This bill requires that a court order that terminates a mineral interest under the Maryland Dormant Mineral Interests Act contain specific identifying information. This information includes the mineral interest; each surface estate into which the mineral interest is merged, including the tax map and parcel number; the name of each surface owner; the name of each known person that owned the mineral interest prior to termination; and any other information determined by the court as appropriate to describe the effect of the termination and merger of the mineral interest. The bill also requires the clerk of the court that issued the order to record the order in the land records.

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law/Background: Chapters 268 and 269 of 2010 codified provisions of the Uniform Dormant Mineral Interests Act, thereby establishing criteria by which a severed mineral interest in Maryland becomes dormant; authorizing the owner of the surface estate to bring an action to terminate a mineral interest; specifying who may preserve a

mineral interest and how it may be preserved; and governing the disposition of a terminated mineral interest.

A court order that terminates a mineral interest merges the terminated interest, including express and implied appurtenant surface rights and obligations, with the surface estate in shares proportionate to the ownership of the surface estate, subject to existing liens for taxes or assessments.

The Maryland Rules require that the petition to terminate a mineral interest contain the location of each surface estate subject to the mineral interest in the petition's caption. Additionally, the petition must contain the name and address of the petitioner and all other surface owners, a legal description of the severed mineral interest, the nature and location of the surface estate or estates subject to a severed mineral interest, and an affidavit by each surface owner that includes a reference to each recorded document establishing such ownership. Thus, most of the elements of a court order included in the bill are generally required under the current Maryland Rules, though not necessarily with the same degree of specificity.

Additional Information

Prior Introductions: None.

Cross File: Although designated as a cross file, HB 402 (Delegate Beitzel - Environmental Matters) is not identical.

Information Source(s): Garrett County, State Department of Assessments and Taxation, Maryland Department of Agriculture, Department of Natural Resources, Maryland Department of the Environment; Judiciary (Administrative Office of the Courts), Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2012
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