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**HOUSE BILL NO. 387**

Offered January 15, 1998

*A BILL to amend the Code of Virginia by adding in Title 55 a chapter numbered 31, consisting of sections numbered 55-534 through 55-539, relating to property, loan of property to museums, unclaimed loans.*

Patrons—Van Lindingham, Dickinson, Keating and Murphy

Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Title 55 a chapter numbered 31, consisting of sections numbered 55-534 through 55-539, as follows:**

**CHAPTER 31.****PROPERTY LOANS TO MUSEUMS.****§ 55-534. Definitions.**

*For the purposes of this chapter:*

*"Loan," "loaned," and "on loan" include all deposits of property with a museum which are not accompanied by a transfer of title to the property.*

*"Museum" is an institution located in Virginia and operated by a nonprofit corporation or public agency, primarily educational, scientific, or aesthetic in purpose, which owns, borrows or cares for, and studies, archives or exhibits property.*

*"Property" includes all tangible objects, animate and inanimate, under a museum's care which have intrinsic value to science, history, art, or culture, except that it does not include botanical or zoological specimens loaned to a museum for scientific research.*

**§ 55-535. Status of property loaned to a museum; statute of limitations on recovery.**

*A. Except as may be otherwise provided in a written agreement between a lender and a museum, no action shall be brought against a museum to recover property on loan to the museum when more than twenty-five years have passed from (i) the receipt by the museum of written communication concerning the property from the lender or (ii) any display of interest in the property by the lender as evidenced by a memorandum or other record on file prepared by an employee of the museum.*

*B. Notwithstanding any provision of Chapter 11.1 (§ 55-210.1 et seq.) of this title, property on loan to a museum shall be deemed to have been donated to the museum if no action to recover the property is initiated within seven years after the museum gave notice of termination of the loan as provided in §§ 55-538 and 55-539.*

*C. Property on loan to a museum shall not be delivered to the Commonwealth, but shall pass to the museum if no person takes under Chapter 1 (§ 64.1-01 et seq.) of Title 64.1.*

**§ 55-536. Notice to lenders of this chapter.**

*When a museum accepts a loan of property, the museum shall inform the lender in writing of the provisions of this chapter.*

**§ 55-537. Status of title to property acquired from museum.**

*Any person who purchases property from a museum acquires good title to the property if the museum represents that it has acquired title to the property pursuant to § 55-535.*

**§ 55-538. Notice of termination of loan; content.**

*A. A museum may give notice of termination of a loan of property at any time if the property was loaned to the museum for an indefinite term. If the property was loaned to the museum for a specified term, the museum may give notice of termination of the loan at any time after the expiration of the specified term.*

**B. Notices given under this section shall contain:**

*1. The name and address, if known, of the lender;*

*2. The date of the loan;*

*3. The name, address and telephone number of the appropriate office or official to be contacted at the museum for information regarding the loan; and*

*4. Any other information deemed necessary by the museum.*

**§ 55-539. Procedure for giving notice; responsibility of owner.**

*A. To give notice of termination of a loan, the museum shall mail a notice to the lender at the most recent address of the lender as shown on the museum's records pertaining to the property on loan. If the museum has no address in its records, or the museum does not receive written proof of receipt of the mailed notice within thirty days of the date the notice was mailed, the museum shall publish notice*

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60 *at least once a week for three consecutive weeks in a newspaper of general circulation in the county or*  
61 *city in which the museum is located and the county or city of the lender's address, if any.*

62 *B. For the purposes of this section, if the loan of property was made to a branch of the museum the*  
63 *museum is located in the county or city where the branch is located. Otherwise, the museum is located*  
64 *in the county or city in which it has its principal place of business.*

65 *C. It is the responsibility of the owner of property in a museum to notify the museum promptly in*  
66 *writing of any change of address or change in ownership of the property.*