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HOUSE BILL NO. 1066

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee for Courts of Justice
on January 25, 2002)

(Patron Prior to Substitute—Delegate Van Landingham)

A BILL to amend the Code of Virginia by adding in Title 55 a chapter numbered 11.2, consisting of sections numbered 55-210.31 through 55-210.37, relating to title to property loaned to museums.

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 11.2, consisting of sections numbered 55-210.31 through 55-210.37, as follows:

CHAPTER 11.2.

PROPERTY LOANED TO MUSEUMS.

§ 55-210.31. Definitions.

As used in this chapter:

"Loaned property" means all museum property deposited on or after July 1, 2002, with a museum not accompanied by a transfer of title to the property.

"Museum" means an institution located in Virginia and operated by a nonprofit corporation or public agency whose primary purpose is educational, scientific or aesthetic, that owns, borrows or cares for, and studies, archives or exhibits museum property.

"Museum property" means all tangible objects, animate and inanimate, under a museum's care that have intrinsic value to science, history, art or culture, except for botanical or zoological specimens loaned to a museum for scientific research.

§ 55-210.32. Status of loaned property; 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 loaned property when more than five years have passed from (i) the receipt by the museum of written communication concerning the loaned property 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. Loaned property shall be deemed to have been donated to the museum if no action to recover the property is initiated within one year after the museum gave notice of termination of the loan as provided in §§ 55-210.35 and 55-210.36.

C. Loaned property shall not be delivered to the Commonwealth, and shall be exempt from the provisions of Chapter 11.1 (§ 55-210.1 et seq.) of this title, but shall pass to the museum if no person takes action under Chapter 1 (§ 64.1-01 et seq.) of Title 64.1.

§ 55-210.33. Notice to lenders of the provisions 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.

§ 55-210.34. 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 § 55-210.32.

§ 55-210.35. Notice of termination of loan; content.

A. A museum may give written notice of termination of a loan of property at any time if the property was loaned to the museum for an indefinite time. 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.

§ 55-210.36. 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 cause to be published notice at least once a week for three consecutive weeks in a newspaper of general circulation in the county or city in which the museum is located, and in a newspaper of general circulation in the county or city of the lender's last known address, if different from the county or city in which the

60 museum is located.

61 B. For purposes of this section, if the loan of property was made pursuant to a branch of the
62 museum, the museum shall be deemed to be located in the city or county where the branch is located. In
63 all other cases, the museum shall be deemed to be located in the city or county in which its principal
64 place of business is located.

65 C. The owner of property loaned to a museum shall notify the museum promptly in writing of any
66 change of address or change in ownership of the property.

67 § 55-210.37. Acquiring title to undocumented property.

68 A. A museum shall have the authority to acquire legal title to undocumented property if the museum
69 can verify through written records that it has held such property for five years or longer, during which
70 period no valid claim to the property has been asserted and no person has contacted the museum
71 regarding the property, by complying with the following procedure:

72 1. The museum shall cause to be published a notice once a week for two consecutive weeks in a
73 newspaper of general circulation in the county or city in which the museum is located, and in a
74 newspaper of general circulation in the county or city of the lender's last known address, if different
75 from the county or city in which the museum is located. The notice shall include:

76 a. A brief and general description of the property;

77 b. The date or approximate date of the loan or acquisition of the property by the museum, if known;

78 c. Notice of the museum's intent to claim title to the property if no valid claims are made within
79 sixty-five days following the date of the first publication of the notice under this subdivision;

80 d. The name and address of the representative of the museum to contact for more information or to
81 make a claim; and

82 e. If known, the name and last known address of the lender.

83 2. If no valid claims have been made by the end of the sixty-five day period following the date of the
84 first publication of the notice under subdivision 1. c. of this subsection, the museum shall cause to be
85 published a second notice once a week for two consecutive weeks in a newspaper of general circulation
86 in the county or city in which the museum is located, and in a newspaper of general circulation in the
87 county or city of the lender's last known address, if different from the county or city in which the
88 museum is located. The second notice shall include:

89 a. A brief and general description of the property;

90 b. The date or approximate date of the loan or acquisition of the property by the museum, if known;

91 c. Notice that the museum claims title to the property as of the date of the end of the sixty-five day
92 period following the date of the first publication of the notice under subdivision 1 of this subsection;
93 and

94 d. If known, the name and last known address of the lender.

95 B. Upon compliance with the requirements set forth in subsection A, clear and unrestricted title is
96 transferred, as of the date specified in subdivision A. 1. c. of this section, to the museum and not to the
97 Commonwealth.