

HOUSE BILL No. 4752

April 29, 1991, Introduced by Reps. Bandstra, Bodem, Fitzgerald, Dalman, Mathieu, Harder, Oxender, London, Sikkema, Ciaramitaro, Perry Bullard, Gubow, Bobier, Horton, McNutt, McBryde and DeLange and referred to the Committee on Judiciary.

A bill to provide for the disposition of certain unclaimed property loaned to museums.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Lender" means a person whose name appears on the
3 records of the museum as the person legally entitled to property
4 held on temporary deposit by the museum.

5 (b) "Lender's address" means the most recent address as
6 shown on the museum's records pertaining to the property on loan
7 from the lender.

8 (c) "Loan" means a temporary deposit of property that is not
9 accompanied by a transfer of title to the property.

10 (d) "Museum" means an institution located in this state
11 operated by a nonprofit corporation or a public agency, primarily
12 for educational, scientific, historic, preservation, or aesthetic

1 purposes, that owns, borrows, cares for, exhibits, studies,
2 archives, or catalogs property.

3 (e) "Property" means a tangible object, animate or inanimate
4 object under a museum's care or in a museum's possession because
5 of that object's intrinsic historic, artistic, scientific, or
6 cultural value.

7 (f) "Undocumented property" means property, the ownership of
8 which the museum cannot determine by reference to the museum's
9 records.

10 Sec. 2. (1) Beginning on the effective date of this act, a
11 museum shall maintain a written record that contains the follow-
12 ing for each item of property loaned to that museum:

13 (a) The property owner's name, address, and, if available,
14 telephone number.

15 (b) The duration of time that the property is being loaned
16 to the museum.

17 (c) The beginning date of the loan.

18 (2) At the time property is loaned to a museum, that museum
19 shall provide the property owner with either a copy of this act
20 or a written notice of lender and museum rights and obligations
21 under this act.

22 (3) If a museum changes its address or dissolves, that
23 museum shall provide each lender with written notice of that
24 museum's change of address or dissolution at least 7 days before
25 the change of address or dissolution. Notice shall be served in
26 the manner prescribed in section 4(4).

1 Sec. 3. A lender shall provide a museum with written notice
2 of that person's change of address or a change in ownership of
3 property loaned to a museum within 7 days of the change in
4 address or change of ownership.

5 Sec. 4. (1) A museum may give notice of the termination of
6 a loan of property under either of the following circumstances:

7 (a) The property was loaned to the museum for an indefinite
8 term.

9 (b) The property was loaned to the museum for a specific
10 term, and that term has expired.

11 (2) For each notice required under this section, a museum
12 shall provide a lender with a form described in subsection (3)
13 and a written statement that substantially conforms to the
14 following:

15 "The records of _____ (name of museum) indicate that
16 you have loaned the following described property to the museum:
17 _____ (description of property). The museum wishes to ter-
18 minate the loan. You are required to contact the museum and make
19 arrangements for the removal of that property. Your failure to
20 remove the property or to provide the museum with written notice
21 of your intent to preserve your interest in the property within 1
22 year will result in the termination of your interest in the
23 property."

24 (3) A museum shall attach to each notice described in sub-
25 section (2) a form bearing that museum's return address and lan-
26 guage substantially conforming to the following:

1 NOTICE TO PRESERVE AN INTEREST IN PROPERTY ON LOAN TO A MUSEUM

2 Name of Museum.....Date.....

3 Claimant's Name.....

4 Address.....

5 (street address, city, state, zip code)

6 Telephone.....

7 Date Property Loaned.....

8 Description of Property.....

9

10

11 Documentation of ownership - check the appropriate box:

12 ☐ Legible copy of original loan receipt attached

13 ☐ Other documentation attached

14 If you are not the original lender, describe the origin of

15 your interest in the property and attach a copy of any document

16 that creates your interest:

17

18

19

20 I understand that I must promptly notify the museum in writ-

21 ing of any change of address or change of ownership of the loaned

22 property.

23 I declare under penalty of false swearing that to the best

24 of my knowledge the information contained in this notice is

25 true.

26 SIGNED.....

27 (claimant)

1 OR I declare under penalty of false swearing that I am authorized
 2 to act on behalf of the claimant and am informed and believe that
 3 the information contained in this notice is true.

4 SIGNED.....
 5 (claimant's representative)

6 (4) A museum shall serve the notice described in subsection
 7 (2) and the form described in subsection (3) in the following
 8 manner:

9 (a) By certified mail addressed to the lender's last known
 10 address.

11 (b) If the museum is unable to determine the identity of the
 12 lender, or if the return receipt of a notice sent by certified
 13 mail to that lender is not received by the museum within 30 days
 14 after the mailing of that notice, the museum shall publish the
 15 notice at least once a week for 3 consecutive weeks in a newspa-
 16 per of general circulation in the county in which the museum is
 17 located and the county of the lender's most recent address, if
 18 known.

19 Sec. 5. (1) A lender who receives a notice described in
 20 section 4(2) may preserve an interest in property identified in
 21 that notice by serving upon the museum, within 1 year after the
 22 date of being served with the notice, a written statement sub-
 23 stantially conforming to section 4(3).

24 (2) Subject to subsection (3), if a lender files with a
 25 museum a written statement substantially conforming to
 26 section 4(3) within 1 years after being served with the notice
 27 described in section 4(2), the museum shall elect either to
 28 arrange for delivery of the property to the lender at the

1 lender's expense or maintain possession of the property. A
2 museum maintaining possession of property under this section
3 shall retain in its records, for a period of not less than 25
4 years, a copy of the lender's written statement, and shall not
5 acquire the lender's interest in that property pursuant to a
6 notice served under section 4(2).

7 (3) The filing of a notice of intent to preserve an interest
8 in property does not alter the status of a lender's interest that
9 would be extinguished under the terms of a written agreement, or
10 that otherwise would be invalid or unenforceable.

11 Sec. 6. (1) A museum automatically and without taking
12 affirmative action acquires ownership of undocumented property
13 that has remained in that museum's possession for 25 years or
14 more.

15 (2) A museum may acquire ownership of undocumented property
16 in that museum's possession for less than 25 years if each of the
17 following conditions is met:

18 (a) At least once a week for 3 consecutive weeks, the museum
19 publishes, in a newspaper of general circulation in the county in
20 which that museum is located, a notice that substantially con-
21 forms to the following:

22 The _____ (name of museum) intends to acquire
23 ownership of the following property in its possession:
24 _____ (property description). The museum does not
25 have a record of the current owner of the described
26 property. If you claim ownership or another legal
27 interest in the described property, you are required to

1 establish your interest in the property and collect the
2 property from the museum within 1 year, or your interest
3 is terminated.

4 (b) The owner of the undocumented property fails to claim
5 ownership of that property within 1 year after completion of the
6 notice publication pursuant to subdivision (a).

7 Sec. 7. If a lender does not respond to a notice described
8 in section 6 within 1 year of that notice, the museum acquires
9 that lender's interest in the property described in the notice.

10 Sec. 8. The disposition of property loaned to a museum and
11 not preserved by a lender is governed solely by this act.