
The original instrument was prepared by Morgan Robertson. The following digest, which does not constitute a part of the legislative instrument, was prepared by Beth O'Quin.

SB 268 Engrossed DIGEST Johns
2020 Regular Session

Present law provides procedures relative to the abandonment of safety deposit boxes and allows banks to sell the contents of an abandoned safety deposit box by public, private, or judicial sale in accordance with law and the terms of the safety deposit box contract.

Proposed law retains present law and provides that a lessee of a safety deposit box may designate up to two persons as authorized contacts who the bank is required to contact if the safety deposit box is abandoned by the lessee.

Proposed law allows banks to dispose of unsalable contents.

Proposed law provides that proceeds remaining after satisfaction of a bank's lien be subject to the Uniform Unclaimed Property Act of 1997.

Proposed law allows a bank to treat remaining proceeds as presumed abandoned and turn them over to the administrator of the State Unclaimed Property Program without having to wait for the passage of time delays set forth in R.S. 9:155.

Proposed law provides procedures for the disposing of or selling of abandoned contents.

Proposed law allows the following types of property to be classified as unsalable by an independent appraiser, an auctioneer, a pawn broker, or the bank and disposed of in the following manner:

- (1) Documents, writings, or photographs having little or no commercial value may be destroyed, excluding military medals and all associated documents.
- (2) Coins or currency with a face value of \$20.00 or less that are valued at no more than twice the face value shall be treated as proceeds of a sale and used to satisfy the bank's lien and any excess proceeds remitted to the Louisiana Unclaimed Property Program.
- (3) Coins or currency with a face value greater than \$20.00 that are valued at 125% or less of face value shall be treated as proceeds of a sale and used to satisfy the bank's lien and any excess proceeds remitted to the Louisiana Unclaimed Property Program.
- (4) Any other tangible item having an estimated sale value of \$25.00 or less may be destroyed by the bank or donated by the bank to a charitable organization, provided that the aggregate value of the item from a specific abandoned safety deposit box does not exceed \$250.00.

Proposed law requires the bank to obtain an independent valuation of the contents by an independent appraiser, auctioneer, pawn broker, coin or collectibles dealer, a jeweler, or by any other person who is regularly engaged in the business of appraising, buying, or selling like merchandise, or any other combination thereof prior to a public or private sale of contents not classified as unsalable.

Proposed law requires that any contents valued by an independent valuation that are more than one thousand dollars shall be sold for at least seventy-five percent of the independent valuation price at a public or private sale.

Proposed law requires that any contents valued by an independent valuation that are less than one thousand dollars may be sold without a value restriction at a public or private sale.

Proposed law requires firearms to be sold through a federal firearm licensed dealer, through an auctioneer who possesses a federal firearm license, or turned over to law enforcement.

Proposed law requires any public or private sale of contents of an abandoned safety deposit box to be a commercially reasonable sale.

Proposed law provides immunity to a bank and its directors, officers, employees, agents, and other representatives who act in accordance with the authority granted in proposed law from all civil and administrative liability.

Proposed law provides that the provisions of proposed law shall be applicable to savings and loan associations chartered under the Louisiana Savings and Loan Association Law in the same manner as they are applicable to state banks.

Proposed law provides that the provisions of R.S. 6:320 through 328 relative to safety deposit boxes and safekeeping shall be applicable to savings banks chartered under the provisions of the Louisiana Savings Bank Act of 1990 in the same manner as they are applicable to state banks.

Effective August 1, 2020.

(Amends R.S. 6:327(B) and (C); adds R.S. 6:320, 327.1, 771, and 1142)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Adds provisions allowing a lessee of a safety deposit box to designate up to two persons who the bank must contact if the box becomes abandoned and requires the lessee to give the contact information of the designated persons.
2. Adds provisions requiring the bank to send notice to the designated persons that the

bank is holding the contents of the abandoned safety box.

3. Adds an exception that military medals and associated documents cannot be destroyed.
4. Adds provisions relative to an independent valuation of safety deposit box contents and provides for the sale requirements of the contents.