

## RÉSUMÉ DIGEST

ACT 236 (SB 268)

2020 Regular Session

Johns

Prior law provided 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.

New law retains prior law.

New law allows banks to dispose of unsalable contents.

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

New 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.

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

New 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 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 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 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.

New 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.

New law requires that any contents valued by an independent valuation that are more than \$1,000 shall be sold for at least 66% of the independent valuation price at a public or private sale. If no offer is received which meets the minimum valuation requirements, new law allows the contents to be sold without a value restriction at a subsequent public or private sale.

New law requires that any contents valued by an independent valuation that are less than \$1,000 may be sold without a value restriction at a public or private sale.

New law requires that firearms be disposed of in one of the following ways:

- (1) Sold through a federal firearms licensed dealer.
- (2) Sold through a public auction through an auctioneer who possesses a federal firearms license.

(3) Turned over to law enforcement.

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

New law provides that a party providing an independent valuation is eligible to purchase the contents valued at public or private sale.

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

New law provides that the provisions of new 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.

New 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.

New law specifies that credit unions dispose of the contents of abandoned safety deposit boxes in the same manner prescribed in new law.

Effective August 1, 2020.

(Amends R.S. 6:327(B) and (C) and 659.2; adds R.S. 6:327.1, 771, and 1142)