AN ACT

To amend and reenact R.S. 6:327(B) and (C) and 659.2 and to enact R.S. 6:327.1, 771, and 1142, relative to banks; to provide for the abandonment of safety deposit boxes; to allow for the disposal of unsalable contents; to provide procedures for disposing of or selling of abandoned contents; to provide relative to the Uniform Unclaimed Property Act; to provide relative to savings and loan associations, credit unions, and savings banks; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:327(B) and (C) and 659.2 are hereby amended and reenacted and R.S. 6:327.1, 771, and 1142 are hereby enacted to read as follows:

§ 327. Abandonment of safety deposit box

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B. If the safety deposit box rental is delinquent for six months, the bank after sixty days' notice by mail addressed to the lessee at his address as shown on the safety deposit box contract may, if the rent is not paid within the time specified in said the notice, open the box in the presence of two employees of the bank and a notary public who shall make an inventory of the contents of the box and place such contents in a sealed envelope or other container in the name of the lessee. The bank shall then send notice to the administrator of the Uniform Unclaimed Property Act of 1997 for publication as provided by R.S. 9:161 inclusion in their database and listing on their website that the safety deposit box has been abandoned and that the bank is holding the listed contents thereof. Such The notice shall include the lessee's name and last known address.

C. After a bank has entered an abandoned safety deposit box and removed the contents thereof, it shall then hold such contents in the name of the lessee subject to
a lien and privilege for the unpaid rent, the costs of opening the box and making the
inventory of and storing its contents, and any other costs, expenses or other amounts
as provided in the lease or by law. If such amounts are not paid in full within one
year from the date the safety deposit box became abandoned, the bank may sell all
or any part of the contents by public, private, or judicial sale in accordance with
Louisiana law and the terms of the safety deposit box contract, and the bank may
also dispose of any unsalable contents in accordance with R.S. 6:327.1. After
satisfaction of the bank's lien, any remaining proceeds shall be subject to the
Uniform Unclaimed Property Act of 1997, R.S. 9:151, et seq. The bank may, but
is not required to, treat the remaining proceeds as presumed abandoned and
turn them over to the administrator of the Uniform Unclaimed Property Act

§327.1. Disposition of abandoned safety deposit box contents

A. If a bank has entered an abandoned safety deposit box in accordance
with the requirements of R.S. 6:327, and the bank decides to proceed with
disposing or selling the abandoned contents, then the provisions contained in the
safety deposit box rental agreement or the provisions contained in this Section
shall apply.

B.(1) Prior to a public or private sale of contents from an abandoned
box, the following types of property may be classified as unsalable by an
independent appraiser, an auctioneer, a pawn broker, or the bank, and disposed
of in the following manner:

(a) Documents, writings, or photographs having little or no commercial
value may be destroyed by the bank, except for those contents subject to the
provisions of R.S. 9:155(B).

(b) Coins or currency with a face value of twenty dollars or less each 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 shall be
remitted to the administrator of the Uniform Unclaimed Property Act by
paper check or electronic funds transfer.

(c) Coins or currency with a face value of greater than twenty dollars each that are valued at one hundred twenty-five percent or less of face value, shall be treated as proceeds of sale and used to satisfy the bank's lien and any excess proceeds shall be remitted to the administrator of the Uniform Unclaimed Property Act by paper check or electronic funds transfer.

(d) Any other tangible item having an estimated sale value of twenty-five dollars or less may be destroyed by the bank or donated by the bank to a charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501, provided that the aggregate value of the items from a specific abandoned safety deposit box does not exceed two hundred fifty dollars.

(2) A current version of any recognized numismatist publication may be used for purposes of valuation of coins and currency.

C.(1) Prior to a public or private sale of contents from an abandoned safety deposit box that has not been classified as unsalable as provided in Subsection B of this Section, the bank shall 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.

(a) Contents from a safety deposit box with an independent valuation of more than one thousand dollars shall be sold for at least sixty-six percent of the independent valuation price at public or private sale. If no offer is received which meets the minimum valuation requirements, the contents may be sold without a value restriction at a subsequent public or private sale.

(b) Contents from a safety deposit box with an independent valuation of one thousand dollars or less may be sold without a value restriction at public or private sale.

(2) Firearms shall be disposed of in one of the following ways:
(a) Sold through a federal firearms licensed dealer.

(b) Sold through a public auction through an auctioneer who possesses a federal firearms license.

(c) Turned over to law enforcement.

D. Any public or private sale of contents of an abandoned safety deposit box must be a commercially reasonable sale held at a time and place in the judgment of the bank that will bring the most favorable prices for the property involved. For purposes of this Section, "commercially reasonable", includes but is not limited to a sale that would be commercially reasonable under R.S. 10:9-610, or a sale, or sale methodology, that is approved by the commissioner of financial institutions. A bank may sell the contents of an abandoned safety deposit box in a sale conducted exclusively for the bank, or in a sale conducted jointly for the bank and any number of other financial institutions or other entities. A bank may use an online auction service as a commercially reasonable public sale. A party providing an independent valuation is eligible to purchase the contents valued at a public or private sale.

E. A bank and its directors, officers, employees, agents, and other representatives who act in accordance with the authority granted in R.S. 6:327 and 327.1 relative to the disposition of abandoned safety deposit box contents shall be immune from all civil and administrative liability.

§659.2. Federally insured credit unions; abandonment of safety deposit box

The provisions of R.S. 6:327 and 327.1 shall apply to abandonment of a safety deposit box leased from a federally insured credit union.

§771. Disposition of abandoned safety deposit box contents

The provisions of R.S. 6:327 and 327.1 relative to the disposition of abandoned safety deposit box contents 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.
§1142. Safety deposit boxes and safekeeping

The provisions of R.S. 6:321 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.