

SENATE FLOOR VERSION

February 20, 2025

SENATE BILL NO. 996

By: Jech

An Act relating to museums; defining terms; providing for acquisition of legal title to certain undocumented property; providing for acquisition of legal title of certain loaned property; requiring furnishing of notice; requiring fulfillment of certain obligations; establishing time limit to bring certain action; providing for application of certain conservation measures; limiting actions that may be taken against a museum; providing recourse for certain lenders following inadequate notice; providing for ownership of certain property following death of lender; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified

17 in the Oklahoma Statutes as Section 2001 of Title 60, unless there
18 is created a duplication in numbering, reads as follows:

As used in this act:

20 1. "Lender" means a person whose name appears in the records of
21 the museum as the person legally entitled to property held by or on
22 loan to the museum;

23 2. "Lender's last known address" means a description of the
24 physical or mailing address of the lender, as shown on the museum's

1 records pertaining to the property on loan from the lender, which is
2 sufficient for the purpose of delivering mail;

3 3. "Loan", "loaned", and "on loan" mean all deposits of
4 property with a museum which are not accompanied by a transfer of
5 title to the property;

6 4. "Museum" means an organization which uses a professional
7 staff or the equivalent, whether paid or unpaid, that is primarily
8 engaged in the acquisition, care, and exhibition to the public of
9 objects, interactive displays, and exhibits owned or used by the
10 organization. Museums shall include organizations that:

- 11 a. are organized on a permanent or regular basis for
12 essentially educational or aesthetic purposes,
- 13 b. own or use tangible objects, either animate or
14 inanimate, care for such objects, and exhibit such
15 objects to the general public on a regular basis at or
16 in facilities owned or operated by such organizations,
17 and
- 18 c. provide educational and cultural programming;

19 5. "Person" means an individual, association, trust
20 partnership, corporation, or similar organization having a legal
21 interest in property in the possession of a museum;

22 6. "Property" means all tangible objects, animate and
23 inanimate, under a museum's care which have intrinsic scientific,
24 historic, artistic, or cultural value; and

1 7. "Undocumented property" means property in the possession of
2 a museum for which the museum cannot determine the person with legal
3 interest by referencing the museum's records.

4 SECTION 2. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2002 of Title 60, unless there
6 is created a duplication in numbering, reads as follows:

7 A. A museum may acquire legal title to undocumented property
8 held by a museum for seven (7) years or longer, verifiable through
9 written records, if there is no valid claim or contact by any person
10 in the following manner:

11 1. The museum shall publish a notice by publication in a
12 newspaper of record in the county of the museum. This notice shall
13 include:

- 14 a. a brief and general description of the property,
- 15 b. the date or approximate date of the acquisition by the
16 museum, if known,
- 17 c. notice of the intent of the museum to claim title if
18 no valid claims are made within ninety (90) days from
19 the date of the second notice prescribed in paragraph
20 2 of this subsection, and
- 21 d. the name and address of the museum representative to
22 contact for more information or to make a claim; and

23 2. If no valid claim is made after the ninetieth day, the
24 museum shall publish a second notice by publication in the same

1 manner as prescribed in paragraph 1 of this subsection and shall
2 include the same provisions.

3 B. If the ninety-day notice period prescribed in subparagraph c
4 of paragraph 1 of subsection A of this section lapses without
5 submission of a valid claim, clear and unrestricted title shall be
6 transferred to the museum as of the date described in subparagraph c
7 of paragraph 1 of subsection A of this section.

8 SECTION 3. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 2003 of Title 53, unless there
10 is created a duplication in numbering, reads as follows:

11 A. A museum may acquire legal title to loaned property pursuant
12 to this section. Upon the expiration date of the loan, the museum
13 shall attempt to notify the lender in writing to return the loaned
14 property. If there is no written contact between the lender and the
15 museum for two (2) years following the expiration of the loan, the
16 museum shall send a notice by certified mail, return receipt
17 requested, to the lender's last known address. The notice shall
18 contain a statement that the loan is now terminated as well as all
19 information required in the notice under paragraphs 1 and 2 of
20 subsection A of Section 2 of this act. Notice is deemed to be
21 provided if the museum receives proof of receipt within thirty (30)
22 days after mailing the notice. If proof of delivery of the notice
23 is not received within thirty (30) days from the date the notice was
24

1 | mailed, the museum shall publish a notice by publication in a
2 | newspaper of record in the county of the museum.

3 | B. If the requirements of subsection A of this section are met,
4 | the museum may acquire title to the loaned property by sending a
5 | notice by certified mail, return receipt requested, to the lender's
6 | last known address.

7 | C. After title to the property is transferred to the museum,
8 | any person having legal interest in the property shall have two (2)
9 | years to bring an action against the museum to claim the property.
10 | At the end of this two-year period, no action or proceeding may be
11 | brought against the museum or its employees or agents by a lender
12 | for any good-faith action taken by the museum pursuant to this
13 | chapter.

14 | D. In order to take title to a loaned property pursuant to this
15 | act, a museum shall have the following obligations to a lender:

16 | 1. The museum shall keep written records regarding the property
17 | for at least two (2) years prior to the date of taking title
18 | pursuant to this section;

19 | 2. The museum shall keep written records on all loans acquired.
20 | Records shall contain the owner's name, address, phone number, the
21 | duration of the loan period, beginning date of the loan period, and
22 | an itemized list of property being loaned;

23 | 3. The museum shall notify a lender of property to the museum
24 | of a museum's change of address or dissolution;

1 4. The museum shall inform a lender of property, at the time
2 the loan is made, of state laws governing unclaimed property; and

3 5. Upon expiration of the loan, the museum shall attempt to
4 contact the lender to return the loaned property by phone,
5 electronic mail, and by certified mail.

6 E. Any person who lends property to a museum shall notify the
7 museum of a change of address or of a change in ownership of the
8 loaned property to ensure the retention of rights to the loaned
9 property.

10 SECTION 4. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 2004 of Title 53, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Unless there is a written loan agreement to the contrary, a
14 museum may apply conservation measures to or dispose of property on
15 loan to the museum without a lender's permission if immediate action
16 is required to protect the property on loan or to protect other
17 property in the custody of the museum, or the property on loan has
18 become a hazard to the health and safety of the public or of the
19 museum's staff, and:

20 1. The museum cannot reach the lender at the lender's last
21 known address of record so that the museum and the lender can
22 promptly agree on a solution; or

1 2. The lender will not agree to the protective measures the
2 museum recommends and is unwilling or unable to terminate the loan
3 and retrieve the property.

4 B. If a museum applies conservation measures to or disposes of
5 property under subsection A of this section, the museum shall:

6 1. Have a lien on the property and on the proceeds from any
7 disposition of the property for the costs incurred by the museum;
8 and

9 2. Not be liable for injury to or loss of the property if the
10 museum:

11 a. had a reasonable belief at the time the action was
12 taken that the action was necessary to protect the
13 property on loan or other property in the custody of
14 the museum, or that the property on loan constituted a
15 hazard to the health and safety of the public or the
16 museum's staff, and

17 b. exercised reasonable care in the choice and
18 application of the conservation measures.

19 C. A museum may apply conservation measures to or dispose of
20 undocumented property in the possession of the museum if immediate
21 action is required to protect the property or to protect other
22 property in the custody of the museum, or the property has become a
23 hazard to the health and safety of the public or of the museum's
24 staff.

1 D. If a museum applies conservation measures to or disposes of
2 undocumented property, the museum:

3 1. May impose a lien on the undocumented property and on the
4 proceeds from any disposition of the property for the costs incurred
5 by the museum; and

6 2. Is not liable for injury to or loss of the undocumented
7 property if the museum:

8 a. had a reasonable belief at the time the action was
9 taken that the action was necessary to protect the
10 property or other property in the custody of the
11 museum, or that the property constituted a hazard to
12 the health and safety of the public or the museum's
13 staff, and

14 b. exercised reasonable care in the choice and
15 application of the conservation measures.

16 SECTION 5. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 2005 of Title 53, unless there
18 is created a duplication in numbering, reads as follows:

19 A. An action shall not be brought against a museum for damages
20 because of injury to or loss of property loaned to the museum more
21 than two (2) years from the date the museum gives the lender or
22 person with legal interest notice of the injury or loss or two (2)
23 years from the date of the injury or loss, whichever occurs earlier.

1 B. An action shall not be brought against a museum to recover
2 property more than two (2) years after the date the museum gives the
3 lender or person with legal interest notice of its intent to acquire
4 the property.

5 C. An action shall not be brought against a museum to recover
6 property on loan more than two (2) years from the date of the last
7 written contact between the lender or person with legal interest and
8 the museum as evidenced by the museum's records.

9 D. A lender is considered to have donated loaned property to
10 the museum if the lender fails to file an action to recover the
11 property on loan to the museum within the time periods specified in
12 subsections A through C of this section.

13 E. Notwithstanding the provisions of subsections C and D of
14 this section, a lender who was not given notice as provided in this
15 act, and who proves that the museum received an adequate notice of
16 intent to preserve an interest in loaned property within the two (2)
17 years immediately preceding the filing of an action to recover the
18 property, may recover the property or, if the property has been
19 disposed of, the reasonable value of the property at the time it was
20 disposed of plus interest at the legal rate.

21 F. A museum is not liable at any time, in the absence of a
22 court order, for returning property to the original lender even if a
23 person other than the lender has filed a notice of intent to
24 preserve an interest in property. If a person claims competing

1 interests in property in the possession of a museum, the burden is
2 upon the claimant to prove the interest in an action in equity
3 initiated by a claimant. A museum is not liable at any time for
4 returning property to an uncontested claimant who produced
5 reasonable proof of ownership or the existence of a security
6 interest.

7 G. Loaned property in the possession of a museum at the time of
8 the owner's death, which would otherwise escheat to the state, shall
9 not escheat but shall be property of the museum to which it is
10 loaned.

11 SECTION 6. This act shall become effective November 1, 2025.

12 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND INSURANCE
February 20, 2025 - DO PASS

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