THE MUSEUM DISPOSITION OF PROPERTY ACT
Act 24 of 1992

AN ACT to provide for the disposition of property loaned to museums, archives, and libraries.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

The People of the State of Michigan enact:

399.601 Short title.

Sec. 1. This act shall be known and may be cited as “the museum disposition of property act”.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.602 Definitions.

Sec. 2. As used in this act:

(a) “Lender” means a person whose name appears on the records of the museum as the person legally entitled to property on loan to a museum, or a person the museum knows to be legally entitled to property on loan to a museum, or a person who establishes his or her legal entitlement to that property.

(b) “Loan” means a deposit of property that is not accompanied by a transfer of title to the property.

(c) “Museum” means an institution generally known as a museum, archives, or library located in this state that is or does each of the following:

(*i*) Established primarily for artistic, educational, scientific, historic, or preservation purposes.

(*ii*) Exhibits, cares for, studies, archives, or catalogs property.

(*iii*) Operated by a nonprofit corporation, college, university, or public agency.

(d) “Property” means an animate or inanimate object in a museum's possession or under a museum's care because of that object's artistic, educational, scientific, historic, or cultural value.

(e) “Undocumented property” means property in the possession of a museum, the owner or lender of which the museum has no reasonable means of identifying.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

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399.603 Property loaned to museum on or after January 1, 1993; duties.

Sec. 3. For each item of property loaned to a museum on or after January 1, 1993, the museum shall do all of the following at the time of the loan:

(a) Make and retain a written record containing at least all of the following information:

(*i*) The owner's name, address, and telephone number.

(*ii*) The name, address, and telephone number of a person designated by the owner for the museum to contact in the event that the owner cannot be located.

(*iii*) A description of the property loaned.

(*iv*) The beginning date of the loan.

(*v*) The duration of the loan.

(b) Provide the lender a signed receipt or loan agreement containing at least the record set forth in subdivision (a).

(c) Inform the lender of the existence of this act and provide the lender with a copy of this act upon the lender's request.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.604 Property loaned to museum generally; duties.

Sec. 4. Regardless of the date of a loan of property, a museum shall do each of the following:

(a) Update its records if a lender informs the museum of a change of address or change in ownership of property loaned, or if the lender and museum negotiate a change in the duration of the loan.

(b) If the museum changes its address, do each of the following:

(*i*) Provide each lender whose name and address is known to the museum with written notice of the change of address by ordinary mail within 30 days of the change of address.

(*ii*) Publish a notice of the change of address at least twice, 60 or more days apart, in a newspaper of general circulation in the county in which the museum is located.

(c) If the museum is permanently closing, terminate each loan pursuant to section 7.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.605 Notice of change in lender or designee's address or ownership.

Sec. 5. For each item of property loaned to a museum on or after January 1, 1993, a lender shall provide

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the museum with written notice of a change in the lender's address, a change in the address of a person described in section 3(a)(*ii*), or a change in ownership of the property loaned.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.606 Notice by museum to terminate loan of property; conditions.

Sec. 6. Regardless of the date of a loan of property, beginning January 1, 1993, a museum may give notice of termination of a loan of property pursuant to section 7 under any of the following circumstances:

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

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

(c) The property is undocumented property.

(d) The museum is permanently closing.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.607 Notice by museum to terminate loan of property; determining identity and last known address of lender; written statement included in notice; signed return receipt not received; publication of notice in newspaper.

Sec. 7. (1) Before terminating a loan of property, a museum shall provide notice of a termination of a loan of property as provided in this section. In providing notice of a termination of a loan of property, a museum shall employ all reasonable means to determine the identity and last known address of the lender of that property, and, if applicable, the identity and last known address of the lender's designee.

(2) If the museum determines the identity of the lender and the lender's last known address, the museum shall personally serve or send to that lender, by certified mail, return receipt requested, a notice of termination of loan. The notice shall include a written statement substantially conforming to the following:

"Records of _____ (name of museum) indicate you loaned the following property to the museum _____ (description of property), on or about _____ (date of loan).

____ The term of the loan has expired.

____ The loan was for an indefinite time and the museum wishes to terminate the loan.

____ The museum is permanently closing.

(check appropriate blank)

You are required to contact the museum and make arrangements for the removal of the property. If you do not remove the property within 1 year of receiving this notice, you will be deemed to have donated the property to the museum and any ownership or other rights in the property you have shall end.

To make arrangements to pick up the property, please contact _____ (name of museum employee or office) at _____ (museum address), _____ (telephone number)."

(3) If a signed return receipt of a notice sent by certified mail to the lender under subsection (2) is not received by the museum within 30 days after the notice is mailed, the museum shall do 1 of the following:

(a) If records of the museum identify a lender's designee, the museum shall send notice by certified mail, return receipt requested, to that designee.

(b) If records of the museum do not identify a lender's designee, the museum shall make written request to the secretary of state for the lender's current address, and use all other reasonable means to determine the lender's current address. If the museum obtains the lender's current address, the museum shall proceed under subsection (2).

(4) If the museum is unable to determine the identity of the lender or the lender's last known address, the identity of the lender's designee or the designee's last known address, or if a signed return receipt of a notice sent by certified mail to the lender or the lender's designee under subsection (2) or (3) is not received by the museum within 30 days after the notice is mailed, the museum shall publish the notice of termination of loan at least twice, 60 or more days apart, in a newspaper of general circulation in the county in which the museum is located, and the county of the lender's most recent address, if known. The notice shall substantially conform to the following:

"The _____ (name of museum) was loaned the following property _____ (description of property), by _____ (name of lender, if known), of _____ (lender's last known address, if any) on or about _____ (approximate date of loan, if known).

If you claim ownership or another legal interest in this property, you are required to establish your interest and to remove the property from the museum within 1 year of the date of this notice, or your interest shall end.

To preserve your interest in the property, contact _____ (name of museum employee or office) at _____ (museum address), _____ (telephone number)."

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399.608 Property loaned for indefinite term.

Sec. 8. Beginning January 1, 1993, regardless of the date of a loan of property, a lender may give notice of termination of a loan of property if the property was loaned for an indefinite term. The lender shall give the museum at least 60 days' notice before the lender intends to remove the property.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.609 Documentation establishing ownership.

Sec. 9. A museum shall require a person to provide documentation sufficient to establish that the person is a lender of an item of property or the authorized representative of the lender of an item of property before allowing that person to remove the property from the museum under this act.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.610 Competing claims for property.

Sec. 10. If more than 1 person claims to be the lender of an item of property, and the claims are competing, a museum may wait to release the property until the competing claims are resolved by agreement or legal action of the claimants.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.611 Museum gaining title to property; conditions; notice.

Sec. 11. (1) Beginning January 1, 1993, a museum gains title to an item of property, subject only to an interest or interests in that property previously recorded pursuant to state law, under any of the following circumstances:

(a) For an item of property for which a museum provides written notice to a lender or a lender's designee pursuant to section 7(2) or (3) and personal service is effectuated or a signed return receipt is received, if a lender of that item does not contact the museum within 1 year after the date notice was received.

(b) For an item of property for which newspaper publication is made pursuant to section 7(4), if a lender of that item does not contact the museum within 1 year after the date of second publication.

(c) Undocumented property that is not solicited by the museum and that is delivered to the museum or left on museum premises after January 1, 1993.

(2) Subject to subsection (3), beginning January 1, 1994, a museum gains title to undocumented property that has been in the possession of the museum for 35 or more consecutive years, subject only to an interest or interests in that undocumented property previously recorded pursuant to state law.

(3) A museum does not gain title to undocumented property that has been in its possession for 35 or more consecutive years unless all of the following occur:

(a) If the museum has an annual budget of more than $50,000.00, the museum publishes a notice in a newspaper of general circulation in the county within which the museum is located. The notice shall be prominently placed in the newspaper at least once each week for 2 or more weeks, shall be no less than 4 inches wide and 6 inches in height, with a black border that is not less than 1/4 inch wide, and shall include all of the following:

(*i*) The word “NOTICE” in not less than 25-point type.

(*ii*) A statement in not less than 22-point type in substantially the following form:

CERTAIN LOANED PROPERTY CURRENTLY IN THE POSSESSION OF _____ (NAME OF MUSEUM) WILL BECOME THE PROPERTY OF THE MUSEUM IF UNCLAIMED, BEGINNING ON _____ (JANUARY 1, 1994, OR DATE WHICH IS 6 MONTHS OR MORE AFTER THE FINAL PUBLICATION OF THE NOTICE, WHICHEVER IS LATER).

(*iii*) A statement in not less than 10-point type that follows the statement described in subparagraph (*ii*) and is in substantially the following form:

THE MUSEUM DISPOSITION OF PROPERTY ACT AUTHORIZES _____ (NAME OF MUSEUM) TO BECOME THE OWNER OF PROPERTY LOANED TO THE MUSEUM AND POSSESSED BY THE MUSEUM FOR 35 OR MORE YEARS WITHOUT DOCUMENTATION OR EVIDENCE ESTABLISHING THE IDENTITY OF THE PROPERTY'S LENDER. A PERSON WHO WISHES TO PRESERVE AN INTEREST IN ANY UNDOCUMENTED PROPERTY WHICH WILL HAVE BEEN IN THE MUSEUM'S POSSESSION FOR 35 OR MORE YEARS ON _____ (DATE THAT IS USED IN THE STATEMENT REQUIRED BY SUBDIVISION (A)(*ii*)) MUST CONTACT THE MUSEUM BEFORE THAT DATE. A PERSON WHO WISHES TO PRESERVE AN INTEREST IN OTHER UNDOCUMENTED PROPERTY MUST CONTACT THE MUSEUM BEFORE THE PROPERTY HAS REMAINED IN THE POSSESSION OF THE MUSEUM FOR 35 YEARS. UNDOCUMENTED PROPERTY THAT IS UNCLAIMED AFTER BEING IN THE MUSEUM'S POSSESSION FOR 35 YEARS

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BECOMES THE PROPERTY OF THE MUSEUM AS PROVIDED BY LAW.

THE LAW DOES NOT REQUIRE THE MUSEUM TO PROVIDE ANY FURTHER PUBLIC NOTICE CONCERNING THE MUSEUM DISPOSITION OF PROPERTY ACT OR YOUR OBLIGATION TO CONTACT THE MUSEUM REGARDING UNDOCUMENTED PROPERTY IN WHICH YOU MAY HAVE AN INTEREST.

(b) If the museum has an annual budget of $50,000.00 or less, the museum publishes a readily visible notice in a newspaper of general circulation in the county within which the museum is located. The notice shall be in substantially the form described in subdivision (a), but the size of the notice, print, and border may be less than the size specified for each in subdivision (a).

(c) The museum posts a copy of a notice substantially corresponding to the notice described in subdivision (a)(*i*), (*ii*), and (*iii*) in a conspicuous location on the museum premises at the time notice is provided by newspaper publication under subdivision (a), and the notice remains posted in a conspicuous location until the museum has obtained title to all undocumented property in its possession under subsection (2).

(d) The museum does not receive documentation or other evidence establishing a person's ownership interest in the undocumented property within the applicable period of time specified in the published notices pursuant to subdivision (a)(*iii*).

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.612 Abrogation of rights and obligations.

Sec. 12. This act does not abrogate rights and obligations of a lender or museum identified in a written agreement.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.613 Immunity from civil liability.

Sec. 13. Beginning January 1, 1993, a museum that in good faith relinquishes property in compliance with this act to a lender is immune from civil liability for that relinquishment.

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