
DIGEST

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St. Germain

HB No. 596

Abstract: Creates the Towed and Stored Vessel Act.

Proposed law provides for definitions.

Proposed law creates a privilege on a towed and stored vessel, including the motor, for towing and storage fees and for costs of selling the vessel in accordance with proposed law; however, a privilege is not created on a documented vessel subject to a preferred ship mortgage or other maritime privilege pursuant to federal law.

Proposed law requires the storage facility to provide the Dept. of Wildlife and Fisheries the vessel's registration, hull identification, and motor serial numbers and any other identifying information requested. The department shall provide the name and address of the last registered owner and lienholders to the storage facility.

Proposed law provides the storage facility must notify the owner and lienholders before the privilege can be enforced. If the owner and lienholder can be identified, the storage facility will send written notification by certified mail. If they cannot be identified, notification shall be published on two separate occasions in the official newspaper of the parish in which the vessel was towed.

Proposed law provides the contents of the notification shall include a description of the vessel, the date it was found, its present location, the vessel is subject to privilege, and subject to sale unless the claim is paid.

Proposed law provides that after holding the vessel for 30 days, the storage facility may sell the vessel 15 days after publishing a notice of the sale once a week for two weeks.

Proposed law requires the sale to be at or the nearest suitable location to the storage facility.

Proposed law requires the sale to the highest bidder and requires the bill of sale to be notarized, signed by both parties and two witnesses, identify the storage facility as the seller, and state the vessel was sold pursuant to the Towed and Stored Vessel Act.

Proposed law provides for the distribution of the proceeds in the following order:

- (1) To the satisfaction of the privilege.

- (2) To the reasonable expenses of the sale including, to the extent not prohibited by law, reasonable attorney fees and legal expenses.
- (3) To the satisfaction of all superior mortgages.
- (4) To the satisfaction of all other mortgages and privileges.

Proposed law provides that any surplus must be paid to the owner of the vessel. If the money is not claimed by the owner within six months from the date of the sale, the funds shall be deemed forfeited to the person making the sale free and clear of all claims.

Proposed law provides if proceeds are not sufficient to satisfy the vessel owner's outstanding obligations to the licensed storage facility or any lienholder of record, the vessel owner remains liable to the licensed storage facility for the deficiency.

Proposed law provides the purchaser of a boat sold pursuant to proposed law takes the vessel free and clear of any rights of persons against whom the privilege was valid and all other lienholders of record.

Proposed law authorizes the department to promulgate rule and regulations.

(Amends R.S. 9:4784(D); Adds R.S. 9:4791-4798)