
Judiciary Committee

HB 2300

Title: An act relating to valuables of guests, lodgers, and boarders of hotels.

Brief Description: Regarding valuables of guests, lodgers, and boarders of hotels.

Sponsors: Representative Hudgins.

Brief Summary of Bill

- Repeals statutes that limit hotel liability and cap damages for loss of valuables, baggage, and other property.
- Provides that a hotel may hold and store baggage or property left behind by a guest, or sent ahead in advance of a stay, and authorizes their sale according to the same terms as allowed for the sale of property to satisfy a hotel keeper's lien.

Hearing Date: 1/21/14

Staff: Cece Clynch (786-7195).

Background:

Statutory Limitations On Liability for Loss of Valuables.

Hotel liability is limited when a hotel provides a safe or vault for the safekeeping of valuables, such as money or jewelry, and notifies the guests of the availability of the safe or vault by posting a notice, in three or more public and conspicuous places. If the posting satisfies the statutory requirements, and the guests do not utilize the safe or vault, the hotel is not liable for any loss, damage, or destruction of such valuables by negligence, fire, theft, burglary, or any other cause whatsoever.

A hotel is not required to receive for safekeeping property that exceeds \$1,000 in value. If property exceeding \$1,000 in value is deposited in the safe or vault, the hotel's liability for loss, damage, or destruction is limited to \$1,000 in the absence of special written arrangements.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Furthermore, there is no liability whatsoever unless the loss, damage, or destruction was caused by theft or gross negligence.

Statutory Limitations On Liability for Loss of Baggage and Other Property.

A hotel is not liable for the loss, destruction, or damage of any personal property brought or sent to the hotel by a guest unless caused by gross negligence. In no case, may liability exceed \$200 unless there is a written contract to this effect. Additional, very specific monetary caps are set forth with respect to recovery for various items depending upon the amount of the daily hotel charge.

Liability for property left behind by a guest, or shipped ahead by a person who does not become a guest of the hotel, is limited to \$100. The hotel may hold such property and may place it in storage. After six months, the hotel may sell it at public auction in the same manner provided for hotel keeper's liens. The proceeds from the sale may be used to reimburse expenses of the sale, costs of storage, and any amounts still owing by the person to the hotel.

Hotel Keeper's Liens.

There are two different hotel keeper's lien statutes, one enacted in 1915 and the other in 1890.

Under the newer statute, the keeper has a lien on all baggage, sample cases, and other property brought on the premises for any moneys due for the cost of the lodging, food, other extras, and the costs of enforcing the lien. The keeper may retain possession until paid in full. If full payment is not received within 60 days of coming due, the keeper may sell the property at public auction. Specific provisions govern posting, notice, storage, and sale. After satisfying the lien, including costs for storage and sale, the keeper must pay any excess to the guest, but only if the guest makes a demand within one year after the sale.

Pursuant to the 1890 statute, the keeper also has the right to retain possession until paid in full and to sell the property for payment of such charges. After three months, the keeper may sell the property at public auction. The notice provisions of this statute do not require that notice be given directly to the guest, but are in the nature of posting and publication requirements. The keeper may satisfy the lien, including legal charges and the cost of storage, from the proceeds. Any excess must be paid to the guest if demand is made.

Summary of Bill:

The statutes limiting hotel liability and capping damages for loss of valuables, baggage, and other property are repealed.

When a guest leaves baggage or property in a hotel after the end of the contracted stay or sends any baggage or property in advance of a hotel stay, the hotel may hold the baggage or property. After six months from the receipt of the baggage or property, the hotel may sell it at public auction according to the same terms as allowed for the sale of property to satisfy a keeper's lien. The hotel may use proceeds of the sale to reimburse any reasonable expenses related to the advertisement and sale, any reasonable storage costs, and any other amounts owed by the owner of the baggage or property to the hotel. At any time, a hotel may deliver baggage or property that it has received, kept, or stored, to a storage or warehouse company for storage.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.