

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6422

BILL NUMBER: HB 1204

NOTE PREPARED: Nov 27, 2006

BILL AMENDED:

SUBJECT: Consignment of Art.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: The bill provides that if an artist delivers a work of art to an art dealer for exhibition or sale on commission, the work of art is considered to be for sale on consignment unless the artist is paid in full upon delivery of the work of art. The bill also provides that the work of art and the proceeds due the artist from the sale of the work of art are property held in trust for the artist by the art dealer and are not subject to seizure or encumbrance by a creditor of the art dealer.

It specifies that the provisions of this act may not be waived and that any part of a contract purporting to waive a provision of this act is void. It also requires that a contract between an art dealer and an artist specify: (1) the value of the work of art; (2) the minimum price for which the work of art may be sold; (3) any discounts that the art dealer may apply in selling the work of art; (4) the art dealer's commission; and (5) in the event of a sale, the amount of time the art dealer has to pay the artist. The bill makes other changes.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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