

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 80

Introduced by Schumacher, 22.

Read first time January 10, 2013

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to motor vehicles; to amend sections 44-6408,
2 60-310, 60-346, 60-509, 60-534, and 60-549, Reissue
3 Revised Statutes of Nebraska, and section 60-501, Revised
4 Statutes Cumulative Supplement, 2012; to change liability
5 insurance and financial responsibility requirements; to
6 provide an operative date; and to repeal the original
7 sections.

8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-6408, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 44-6408 (1) No policy insuring against liability imposed
4 by law for bodily injury, sickness, disease, or death suffered by a
5 natural person arising out of the ownership, operation, maintenance,
6 or use of a motor vehicle within the United States, its territories
7 or possessions, or Canada shall be delivered, issued for delivery, or
8 renewed with respect to any motor vehicle principally garaged in this
9 state unless coverage is provided for the protection of persons
10 insured who are legally entitled to recover compensatory damages for
11 bodily injury, sickness, disease, or death from (a) the owner or
12 operator of an uninsured motor vehicle in limits of ~~twenty-five~~ fifty
13 thousand dollars because of bodily injury, sickness, disease, or
14 death of one person in any one accident and, subject to such limit
15 for one person, ~~fifty-one hundred~~ thousand dollars because of bodily
16 injury, sickness, disease, or death of two or more persons in any one
17 accident, and (b) the owner or operator of an underinsured motor
18 vehicle in limits of ~~twenty-five~~ fifty thousand dollars because of
19 bodily injury, sickness, disease, or death of one person in any one
20 accident and, subject to such limit for one person, ~~fifty-one hundred~~
21 thousand dollars because of bodily injury, sickness, disease, or
22 death of two or more persons in any one accident.

23 (2) At the written request of the named insured, the
24 insurer shall provide higher limits of uninsured and underinsured
25 motorist coverages in accordance with its rating plan and rules,

1 except that in no event shall the insurer be required to provide
2 limits higher than one hundred thousand dollars per person and three
3 hundred thousand dollars per accident.

4 (3) After purchase of uninsured and underinsured motorist
5 coverages, no insurer or any affiliated insurer shall be required to
6 notify any policyholder in any renewal, reinstatement, substitute,
7 amended, altered, modified, transfer, or replacement policy as to the
8 availability of optional limits of such coverages. The named insured
9 may, subject to the limitations of this section, make a written
10 request for additional coverage or coverage more extensive than that
11 provided in a prior policy.

12 Sec. 2. Section 60-310, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 60-310 Automobile liability policy means liability
15 insurance written by an insurance carrier duly authorized to do
16 business in this state protecting other persons from damages for
17 liability on account of accidents occurring subsequent to the
18 effective date of the insurance arising out of the ownership of a
19 motor vehicle (1) in the amount of ~~twenty-five~~ fifty thousand dollars
20 because of bodily injury to or death of one person in any one
21 accident, (2) subject to the limit for one person, in the amount of
22 ~~fifty-one hundred~~ thousand dollars because of bodily injury to or
23 death of two or more persons in any one accident, and (3) in the
24 amount of ~~twenty-five~~ fifty thousand dollars because of injury to or
25 destruction of property of other persons in any one accident. An

1 automobile liability policy shall not exclude liability coverage
2 under the policy solely because the injured person making a claim is
3 the named insured in the policy or residing in the household with the
4 named insured.

5 Sec. 3. Section 60-346, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 60-346 Proof of financial responsibility means evidence
8 of ability to respond in damages for liability, on account of
9 accidents occurring subsequent to the effective date of such proof,
10 arising out of the ownership, maintenance, or use of a motor vehicle,
11 (1) in the amount of ~~twenty-five~~fifty thousand dollars because of
12 bodily injury to or death of one person in any one accident, (2)
13 subject to such limit for one person, in the amount of ~~fifty-one~~
14 hundred thousand dollars because of bodily injury to or death of two
15 or more persons in any one accident, and (3) in the amount of ~~twenty-~~
16 ~~five~~fifty thousand dollars because of injury to or destruction of
17 property of others in any one accident.

18 Sec. 4. Section 60-501, Revised Statutes Cumulative
19 Supplement, 2012, is amended to read:

20 60-501 For purposes of the Motor Vehicle Safety
21 Responsibility Act, unless the context otherwise requires:

22 (1) Department means Department of Motor Vehicles;

23 (2) Golf car vehicle means a vehicle that has at least
24 four wheels, has a maximum level ground speed of less than twenty
25 miles per hour, has a maximum payload capacity of one thousand two

1 hundred pounds, has a maximum gross vehicle weight of two thousand
2 five hundred pounds, has a maximum passenger capacity of not more
3 than four persons, and is designed and manufactured for operation on
4 a golf course for sporting and recreational purposes;

5 (3) Judgment means any judgment which shall have become
6 final by the expiration of the time within which an appeal might have
7 been perfected without being appealed, or by final affirmation on
8 appeal, rendered by a court of competent jurisdiction of any state or
9 of the United States, (a) upon a cause of action arising out of the
10 ownership, maintenance, or use of any motor vehicle for damages,
11 including damages for care and loss of services, because of bodily
12 injury to or death of any person or for damages because of injury to
13 or destruction of property, including the loss of use thereof, or (b)
14 upon a cause of action on an agreement of settlement for such
15 damages;

16 (4) License means any license issued to any person under
17 the laws of this state pertaining to operation of a motor vehicle
18 within this state;

19 (5) Low-speed vehicle means a four-wheeled motor vehicle
20 (a) whose speed attainable in one mile is more than twenty miles per
21 hour and not more than twenty-five miles per hour on a paved, level
22 surface, (b) whose gross vehicle weight rating is less than three
23 thousand pounds, and (c) that complies with 49 C.F.R. part 571, as
24 such part existed on January 1, 2011;

25 (6) Minitruck means a foreign-manufactured import vehicle

1 or domestic-manufactured vehicle which (a) is powered by an internal
2 combustion engine with a piston or rotor displacement of one thousand
3 five hundred cubic centimeters or less, (b) is sixty-seven inches or
4 less in width, (c) has a dry weight of four thousand two hundred
5 pounds or less, (d) travels on four or more tires, (e) has a top
6 speed of approximately fifty-five miles per hour, (f) is equipped
7 with a bed or compartment for hauling, (g) has an enclosed passenger
8 cab, (h) is equipped with headlights, taillights, turnsignals,
9 windshield wipers, a rearview mirror, and an occupant protection
10 system, and (i) has a four-speed, five-speed, or automatic
11 transmission;

12 (7) Motor vehicle means any self-propelled vehicle which
13 is designed for use upon a highway, including trailers designed for
14 use with such vehicles, minitrucks, and low-speed vehicles. Motor
15 vehicle does not include (a) mopeds as defined in section 60-637, (b)
16 traction engines, (c) road rollers, (d) farm tractors, (e) tractor
17 cranes, (f) power shovels, (g) well drillers, (h) every vehicle which
18 is propelled by electric power obtained from overhead wires but not
19 operated upon rails, (i) electric personal assistive mobility devices
20 as defined in section 60-618.02, and (j) off-road designed vehicles,
21 including, but not limited to, golf car vehicles, go-carts, riding
22 lawnmowers, garden tractors, all-terrain vehicles and utility-type
23 vehicles as defined in section 60-6,355, minibikes as defined in
24 section 60-636, and snowmobiles as defined in section 60-663;

25 (8) Nonresident means every person who is not a resident

1 of this state;

2 (9) Nonresident's operating privilege means the privilege
3 conferred upon a nonresident by the laws of this state pertaining to
4 the operation by him or her of a motor vehicle or the use of a motor
5 vehicle owned by him or her in this state;

6 (10) Operator means every person who is in actual
7 physical control of a motor vehicle;

8 (11) Owner means a person who holds the legal title of a
9 motor vehicle, or in the event (a) a motor vehicle is the subject of
10 an agreement for the conditional sale or lease thereof with the right
11 of purchase upon performance of the conditions stated in the
12 agreement and with an immediate right of possession vested in the
13 conditional vendee or lessee or (b) a mortgagor of a vehicle is
14 entitled to possession, then such conditional vendee or lessee or
15 mortgagor shall be deemed the owner for the purposes of the act;

16 (12) Person means every natural person, firm,
17 partnership, limited liability company, association, or corporation;

18 (13) Proof of financial responsibility means evidence of
19 ability to respond in damages for liability, on account of accidents
20 occurring subsequent to the effective date of such proof, arising out
21 of the ownership, maintenance, or use of a motor vehicle, (a) in the
22 amount of ~~twenty-five~~ fifty thousand dollars because of bodily injury
23 to or death of one person in any one accident, (b) subject to such
24 limit for one person, in the amount of ~~fifty-one~~ hundred thousand
25 dollars because of bodily injury to or death of two or more persons

1 in any one accident, and (c) in the amount of ~~twenty-five~~fifty
2 thousand dollars because of injury to or destruction of property of
3 others in any one accident;

4 (14) Registration means registration certificate or
5 certificates and registration plates issued under the laws of this
6 state pertaining to the registration of motor vehicles;

7 (15) State means any state, territory, or possession of
8 the United States, the District of Columbia, or any province of the
9 Dominion of Canada; and

10 (16) The forfeiture of bail, not vacated, or of
11 collateral deposited to secure an appearance for trial shall be
12 regarded as equivalent to conviction of the offense charged.

13 Sec. 5. Section 60-509, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 60-509 No such policy or bond shall be effective under
16 section 60-508 unless issued by an insurance company or surety
17 company authorized to do business in this state, except that if such
18 motor vehicle was not registered in this state or was a motor vehicle
19 which was registered elsewhere than in this state at the effective
20 date of a policy or bond or the most recent renewal thereof, such
21 policy or bond shall not be effective under section 60-508 unless the
22 insurance company or surety company, if not authorized to do business
23 in this state, shall execute an acknowledgment that the company shall
24 be amenable to process issued by a court of this state in any action
25 upon such policy or bond arising out of such accident. Every such

1 policy or bond is subject, if the accident has resulted in bodily
2 injury, sickness, disease, or death, to a limit, exclusive of
3 interest and costs, of not less than ~~twenty-five~~fifty thousand
4 dollars because of bodily injury to or death of one person in any one
5 accident and, subject to such limit for one person, to a limit of not
6 less than ~~fifty-one hundred~~ thousand dollars because of bodily injury
7 to or death of two or more persons in any one accident and, if the
8 accident has resulted in injury to or destruction of property, to a
9 limit of not less than ~~twenty-five~~fifty thousand dollars because of
10 injury to or destruction of property of others in any one accident.
11 Upon receipt of a notice of such accident, the insurance company or
12 surety company which issued such policy or bond shall furnish, for
13 filing with the department, a written notice that such policy or bond
14 was in effect at the time of such accident.

15 Sec. 6. Section 60-534, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 60-534 Such motor vehicle liability policy shall (1)
18 designate by explicit description or by appropriate reference all
19 motor vehicles with respect to which coverage is thereby to be
20 granted and (2) insure the person named therein and any other person,
21 as insured, using any such motor vehicle or motor vehicles with the
22 express or implied permission of such named insured, against loss
23 from the liability imposed by law for damages arising out of the
24 ownership, maintenance, or use of such motor vehicle or motor
25 vehicles within the United States of America or the Dominion of

1 Canada, subject to limits exclusive of interest and costs, with
2 respect to each such motor vehicle as follows: ~~Twenty-five~~ Fifty
3 thousand dollars because of bodily injury to or death of one person
4 in any one accident and, subject to such limit for one person, ~~fifty~~
5 one hundred thousand dollars because of bodily injury to or death of
6 two or more persons in any one accident, and ~~twenty-five~~ fifty
7 thousand dollars because of injury to or destruction of property of
8 others in any one accident.

9 Sec. 7. Section 60-549, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 60-549 Proof of financial responsibility may be evidenced
12 by the certificate of the State Treasurer that the person named in
13 the certificate has deposited with him or her ~~seventy-five thousand~~
14 ~~dollars~~ an amount equal to the sum of the amounts specified in
15 subdivisions (13)(b) and (c) of section 60-501 per vehicle in cash or
16 securities such as may legally be purchased by savings banks or for
17 trust funds of a market value of ~~seventy-five thousand dollars.~~ such
18 amount. The State Treasurer shall not accept any such deposit and
19 issue a certificate therefor and the department shall not accept such
20 certificate unless it is accompanied by evidence that there are no
21 unsatisfied judgments of any character against the depositor in the
22 county where the depositor resides.

23 Sec. 8. This act becomes operative on January 1, 2014.

24 Sec. 9. Original sections 44-6408, 60-310, 60-346,
25 60-509, 60-534, and 60-549, Reissue Revised Statutes of Nebraska, and

1 section 60-501, Revised Statutes Cumulative Supplement, 2012, are
2 repealed.