

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 403

Introduced by Stinner, 48.

Read first time January 13, 2017

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to the Abstracters Act; to amend sections
2 76-537, 76-539, 76-542, and 76-543, Reissue Revised Statutes of
3 Nebraska, and sections 76-545 and 76-547, Revised Statutes
4 Cumulative Supplement, 2016; to define a term; to change
5 registration application, examination, and fee requirements as
6 prescribed; to provide for a duplicate certificate of authority; to
7 harmonize provisions; and to repeal the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 76-537, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 76-537 As used in the Abstracters Act, unless the context otherwise
4 requires:

5 (1) Abstract of title means a compilation in orderly arrangement of
6 the materials and facts of record affecting the title to real property,
7 issued under a certificate certifying to the matters contained in such
8 compilation;

9 (2) Board means the Abstracters Board of Examiners;

10 (3) Business of abstracting means the making, compiling, and selling
11 of abstracts of title or any part thereof or preparing written reports of
12 title to real property;

13 (4) Business entity means a partnership, limited liability company,
14 corporation, or other organizational form developed to conduct business;

15 (5) Certificate of authority means the authorization to engage in
16 the business of abstracting in a county in the State of Nebraska granted
17 to an individual or business entity;

18 (6) Certificate of registration means the authorization to prepare
19 abstracts of title to real property in any county within the State of
20 Nebraska which is granted to an individual under section 76-543;

21 (7) Duplicate certificate of authority means a second or subsequent
22 certificate of authority issued in this state to each and every physical
23 office location other than the primary designated physical office
24 location;

25 (8) {7} Duplicate certificate of registration means a second or
26 subsequent certificate of registration issued in this state for an
27 abstracter who (a) holds an operative certificate of registration and (b)
28 is employed by more than one holder of a certificate of authority;

29 (9) {8} Inactive abstracter means an abstracter whose certificate of
30 registration is not affiliated with an individual or business entity
31 engaged in the business of abstracting and holding a certificate of

1 authority;

2 (10) ~~(9)~~ Professional development means a course of educational
3 instruction, including correspondence courses, designed to maintain and
4 improve the ability of registered abstracters to provide services to the
5 public;

6 (11) ~~(10)~~ Registered abstracter means an individual, registered
7 under the Abstracters Act, holding an operative certificate of
8 registration who for a fee or other valuable consideration compiles or
9 certifies abstracts of title or any part thereof to real property in any
10 county within this state or who prepares reports of title; and

11 (12) ~~(11)~~ Report of title means any type of summary of facts of
12 record affecting the title to real property which does not purport to
13 constitute an opinion as to the state of the title and which is prepared
14 by a person other than an attorney licensed to practice law in the State
15 of Nebraska. Report of title does not include a title insurance
16 commitment or policy or information or opinions given by a register of
17 deeds in response to inquiries from the public.

18 Sec. 2. Section 76-539, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 76-539 (1) Every individual or business entity who or which engages
21 in the business of abstracting in this state shall have a certificate of
22 authority and pay the fee established in section 76-542 or 76-545.

23 ~~(1) An individual or business entity shall not engage in the~~
24 ~~business of abstracting in this state unless a certificate of authority~~
25 ~~has been issued to such individual or business entity.~~

26 (2) Every individual or business entity engaged in the business of
27 abstracting shall be or have in its employ a registered abstracter. Only
28 a registered abstracter may certify abstracts or otherwise attest to the
29 accuracy of abstracts or prepare reports of title.

30 (3) An inactive abstracter shall not, for a fee or other valuable
31 consideration, compile or certify abstracts of title or any part thereof

1 to real property in any county within this state, prepare reports of
2 title, or in any way engage in the business of abstracting.

3 Sec. 3. Section 76-542, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 76-542 Any individual desiring to become a registered abstracter
6 shall file an application for registration with the board. Such applicant
7 shall have reached the age of majority, shall not have been convicted of
8 a felony, and shall have at least one year of verified land title-related
9 experience satisfactory to the board. Each applicant for registration
10 shall take the written examination prescribed by section 76-543.

11 Such application shall be in a form prepared by the board and shall
12 contain the applicant's social security number and such information as
13 may be necessary to assist the board in determining the qualification of
14 the applicant for registration. Each such application shall be
15 accompanied by ~~(1) an application fee of not less than twenty-five~~
16 ~~dollars or more than one hundred dollars~~ and ~~(2) an examination fee~~
17 established by the board not to exceed ~~of not less than twenty-five~~
18 ~~dollars or more than one hundred dollars.~~ The board shall establish such
19 ~~fees based on the~~ actual administrative costs associated with such
20 application and examination of the board.

21 Upon receipt of such application the board shall notify the
22 applicant by mail whether the application has been accepted. If the
23 application has not been accepted, the examination fee shall be returned
24 to the applicant. If the application has been accepted, the applicant
25 shall be notified of the time and place of the next scheduled
26 examination.

27 The board shall adopt and promulgate rules and regulations necessary
28 to establish the experience standards and administer the examination
29 required for registered abstracters.

30 Sec. 4. Section 76-543, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 76-543 The board shall prescribe a written examination to determine
2 the proficiency of the applicant. If the applicant passes the
3 examination, pays the fee, and meets the other requirements of section
4 76-542, the board shall issue a certificate of registration designating
5 him or her to be a registered abstracter. If the abstracter has more than
6 one place of employment, the abstracter shall apply for ~~obtain~~ a
7 duplicate certificate of registration for each additional place of
8 employment. Upon payment of the fee prescribed in section 76-542, the
9 board shall issue a duplicate certificate of registration to the
10 abstracter. A certificate shall be prominently displayed at each place of
11 employment of such abstracter. If an applicant fails the examination, he
12 or she may reapply for registration by remitting the examination fee. The
13 board shall give the examination at least twice a year.

14 Sec. 5. Section 76-545, Revised Statutes Cumulative Supplement,
15 2016, is amended to read:

16 76-545 Any individual or business entity desiring to engage in the
17 business of abstracting in this state shall make application to the board
18 for a certificate of authority. Such application shall be in a form
19 prepared by the board and shall designate if it is a primary office
20 location and contain such other information as may be necessary to assist
21 the board in determining whether the applicant has complied with the
22 Abstracters Act. Such application shall be accompanied by an application
23 fee established by the board not to exceed ~~of not less than twenty-five~~
24 ~~dollars or more than two hundred dollars.~~ The board shall establish such
25 ~~fee based on~~ the actual administrative costs associated with such
26 application ~~of the board.~~ The applicant shall furnish proof that such
27 applicant is or has employed a registered abstracter and shall provide
28 the name and address of a resident agent for service of process under the
29 act. When this section has been complied with, including payment of the
30 fee, the board shall issue a certificate of authority in such form as it
31 may prescribe, attesting to the same, and such certificate shall be

1 prominently displayed in the place of business of the applicant.

2 If a holder of a certificate of authority who is or has identified a
3 primary physical office within this state also maintains another office
4 or offices, then the holder shall make application for a duplicate
5 certificate of authority, and upon payment of the fee prescribed in this
6 section and proof of employment of a registered abstractor for such
7 secondary office or offices, the board shall issue a duplicate
8 certificate of authority which shall be prominently displayed at such
9 place of business.

10 Sec. 6. Section 76-547, Revised Statutes Cumulative Supplement,
11 2016, is amended to read:

12 76-547 (1) All certificates of authority, including duplicate
13 certificates of authority, issued pursuant to section 76-545 shall expire
14 on April 1 of each even-numbered year irrespective of when issued. Such
15 certificates shall be renewed, as provided in this section, for a two-
16 year period upon payment of a renewal fee established by the board not to
17 exceed of not less than fifty dollars or more than four hundred dollars.
18 ~~The board shall establish such fee based on the actual administrative~~
19 ~~costs associated with such renewal of the board.~~

20 (2) All certificates of registration, including duplicate
21 certificates of registration, issued pursuant to section 76-543 shall
22 expire on April 1 of each even-numbered year irrespective of when issued.
23 Such certificates shall be renewed, as provided in this section, for a
24 two-year period upon payment of a renewal fee established by the board
25 not to exceed of not less than twenty dollars or more than two hundred
26 dollars. ~~The board shall establish such fee based on the actual~~
27 ~~administrative costs associated with such renewal of the board.~~ The board
28 shall not renew the certificate of registration or duplicate certificate
29 of registration for any registered abstractor who has failed to complete
30 the professional development requirements set forth in section 76-544,
31 unless the registered abstractor has shown good cause why he or she was

1 unable to comply with such requirements. If the board determines that
2 good cause was shown for not completing the professional development
3 requirements, the board shall permit the registered abstracter to make up
4 all outstanding hours of professional development within six months of
5 the renewal of such certificates. If the hours are not completed in six
6 months, such certificates shall be revoked.

7 (3) Thirty to sixty days prior to the expiration date of the
8 certificates, the board shall cause a notice of expiration and
9 application for renewal, including a statement for the fee for each
10 certificate, to be mailed to each of the holders of such certificates.
11 The notice and application shall be in a form prepared by the board.

12 Sec. 7. Original sections 76-537, 76-539, 76-542, and 76-543,
13 Reissue Revised Statutes of Nebraska, and sections 76-545 and 76-547,
14 Revised Statutes Cumulative Supplement, 2016, are repealed.