LEGISLATIVE BILL 719

Approved by the Governor May 29, 2019

Introduced by Hughes, 44.

A BILL FOR AN ACT relating to the Motor Vehicles Certificate of Title Act; to amend section 60-169, Revised Statutes Cumulative Supplement, 2018; to require the reporting of certain information related to certificates of title; to harmonize provisions; and to repeal the original section. Be it enacted by the people of the State of Nebraska,

Section 1. Section 60-169, Revised Statutes Cumulative Supplement, 2018, is amended to read:

60-169 (1)(a) Except as otherwise provided in subdivision (c) (b) of this subsection, each owner of a vehicle and each person mentioned as owner in the last certificate of title, when the vehicle is dismantled, destroyed, or changed in a manufacture that it loses its character as a vehicle or changed in such a manner that it is not the vehicle described in the certificate of title, shall surrender his or her certificate of title to any county treasurer or to the department. If the certificate of title is surrendered to a county treasurer, he or she shall, with the consent of any holders of any liens noted thereon, enter a cancellation upon the records and shall notify the department of such cancellation. Beginning on the implementation date designated by the director pursuant to subsection (3) of section 60-1508, a wrecker or salvage dealer shall report electronically to the department using the electronic reporting system. If the certificate is surrendered to the department, it shall, with the consent of any holder of any lien noted thereon, enter a cancellation upon its records.

(b) This subdivision applies to all licensed wrecker or salvage dealers except as otherwise provided in this subdivision, to each vehicle located <u>on the premises of such dealer. For each vehicle required to be reported under</u> 28 C.F.R. 25.56, as such regulation existed on January 1, 2019, the information obtained by the department under this section may be reported to the National Motor Vehicle Title Information System in a format that will satisfy the requirement for reporting under 28 C.F.R. 25.56, as such regulation existed on January 1, 2019. Such report shall include:

(i) The name, address, and contact information for the reporting entity; (ii) The vehicle identification number;

(iii) The date the reporting entity obtained such motor vehicle;

(iv) The name of the person from whom such motor vehicle was obtained, for use only by a law enforcement or other appropriate government agency;

(v) A statement of whether the motor vehicle was or will be crushed, disposed of, offered for sale, or used for another purpose; and (vi) Whether the motor vehicle is intended for export

outside of the United States.

The department may set and collect a fee, not to exceed the cost reporting to the National Motor Vehicle Title Information System, from wrecker or salvage dealers for electronic reporting to the National Motor Vehicle Title <u>Information System, which shall be remitted to the State Treasurer for credit</u> to the Department of Motor Vehicles Cash Fund. This subdivision does not apply to any vehicle reported by a wrecker or salvage dealer to the National Motor Vehicle Title Information System as required under 28 C.F.R. 25.56, as such

regulation existed on January 1, 2019.
(c)(i) (b)(i) In the case of a mobile home or manufactured home for which a certificate of title has been issued, if such mobile home or manufactured home is affixed to real property in which each owner of the mobile home or manufactured home has any ownership interest, the certificate of title may be surrendered for cancellation to the county treasurer of the county where such mobile home or manufactured home is affixed to real property if at the time of surrender the owner submits to the county treasurer an affidavit of affixture on a form provided by the department that contains all of the following, as applicable:

(A) The names and addresses of all of the owners of record of the mobile

- home or manufactured home; (B) A description of the mobile home or manufactured home that includes the name of the manufacturer, the year of manufacture, the model, and the manufacturer's serial number;
- (C) The legal description of the real property upon which the mobile home or manufactured home is affixed and the names of all of the owners of record of the real property;
- (D) A statement that the mobile home or manufactured home is affixed to the real property;
- (E) The written consent of each holder of a lien duly noted on the certificate of title to the release of such lien and the cancellation of the certificate of title;
 - (F) A copy of the certificate of title surrendered for cancellation; and
- (G) The name and address of an owner, a financial institution, or another entity to which notice of cancellation of the certificate of title may be

delivered.

(ii) The person submitting an affidavit of affixture pursuant to subdivision $\underline{(c)(i)}$ of this subsection shall swear or affirm that all statements in the affidavit are true and material and further acknowledge that any false statement in the affidavit may subject the person to penalties relating to perjury under section 28-915.

- (2) If a certificate of title of a mobile home or manufactured home is surrendered to the county treasurer, along with the affidavit required by subdivision (1)(c) (1)(b) of this section, he or she shall enter a cancellation upon his or her records, notify the department of such cancellation, forward a duplicate original of the affidavit to the department, and deliver a duplicate original of the executed affidavit under subdivision (1)(c) (1)(b) of this section to the register of deeds for the county in which the real property is located to be filed by the register of deeds. The county treasurer shall be entitled to collect fees from the person submitting the affidavit in accordance with section 33-109 to cover the costs of filing such affidavit. Following the cancellation of a certificate of title for a mobile home or manufactured home, the county treasurer or designated county official shall not issue a certificate of title for such mobile home or manufactured home, except as provided in subsection (5) of this section.
- (3) If a mobile home or manufactured home is affixed to real estate before June 1, 2006, a person who is the holder of a lien or security interest in both the mobile home or manufactured home and the real estate to which it is affixed on such date may enforce its liens or security interests by accepting a deed in lieu of foreclosure or in the manner provided by law for enforcing liens on the real estate.
- (4) A mobile home or manufactured home for which the certificate of title has been canceled and for which an affidavit of affixture has been duly recorded pursuant to subsection (2) of this section shall be treated as part of the real estate upon which such mobile home or manufactured home is located. Any lien thereon shall be perfected and enforced in the same manner as a lien on real estate. The owner of such mobile home or manufactured home may convey ownership of the mobile home or manufactured home only as a part of the real estate to which it is affixed.
- (5)(a) If each owner of both the mobile home or manufactured home and the real estate described in subdivision (1)(c) (1)(b) of this section intends to detach the mobile home or manufactured home from the real estate, the owner shall do both of the following: (i) Before detaching the mobile home or manufactured home, record an affidavit of detachment in the office of the register of deeds in the county in which the affidavit is recorded under subdivision (1)(c) (1)(b) of this section; and (ii) apply for a certificate of title for the mobile home or manufactured home pursuant to section 60-147.
 - (b) The affidavit of detachment shall contain all of the following:
- (i) The names and addresses of all of the owners of record of the mobile home or manufactured home;
- (ii) A description of the mobile home or manufactured home that includes the name of the manufacturer, the year of manufacture, the model, manufacturer's serial number;
- (iii) The legal description of the real estate from which the mobile home or manufactured home is to be detached and the names of all of the owners of record of the real estate;
- (iv) A statement that the mobile home or manufactured home is to be detached from the real property;
- (v) A statement that the certificate of title of the mobile home or
- manufactured home has previously been canceled;
 (vi) The name of each holder of a lien of record against the real estate from which the mobile home or manufactured home is to be detached, with the written consent of each holder to the detachment; and

 (vii) The name and address of an owner, a financial institution, or another entity to which the certificate of title may be delivered.

 (6) An owner of an affixed mobile home or manufactured home for which the
- certificate of title has previously been canceled pursuant to subsection (2) of this section shall not detach the mobile home or manufactured home from the real estate before a certificate of title for the mobile home or manufactured home is issued by the county treasurer or department. If a certificate of title is issued by the county treasurer or department, the mobile home or manufactured home is no longer considered part of the real property. Any lien thereon shall be perfected pursuant to section 60-164. The owner of such mobile home or manufactured home may convey ownership of the mobile home or manufactured home only by way of a certificate of title.

 (7) For purposes of this section:
- (a) A mobile home or manufactured home is affixed to real estate if the wheels, towing hitches, and running gear are removed and it is permanently attached to a foundation or other support system; and

 (b) Ownership interest means the fee simple interest in real estate or an
- interest as the lessee under a lease of the real property that has a term that continues for at least twenty years after the recording of the affidavit under subsection (2) of this section.
- (8) Upon cancellation of a certificate of title in the manner prescribed by this section, the county treasurer and the department may cancel and destroy all certificates and all memorandum certificates in that chain of title.
- Sec. 2. Original section 60-169, Revised Statutes Cumulative Supplement, 2018, is repealed.