

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 276

Introduced by Transportation and Telecommunications Committee:
Baker, 44, Chairperson; Aguilar, 35; Foley, 29;
Hudkins, 21; Smith, 48; Stuthman, 22

Read first time January 10, 2005

Committee: Transportation and Telecommunications

A BILL

1 FOR AN ACT relating to motor vehicles; to amend sections 42-371,
2 52-1801, 60-302, 60-314, 60-6,309, 60-6,375, 60-1411.02,
3 60-1417, 60-1419, 60-3004, and 75-386, Reissue Revised
4 Statutes of Nebraska, sections 13-910, 23-186, 81-8,219,
5 and 81-2004.02, Revised Statutes Supplement, 2004, and
6 sections 2A-104 and 9-311, Uniform Commercial Code; to
7 adopt the Motor Vehicle Certificate of Title Act; to
8 provide penalties; to harmonize provisions; to repeal the
9 original sections; and to outright repeal sections 60-102
10 to 60-111.01, 60-112 to 60-127, and 60-129 to 60-169,
11 Reissue Revised Statutes of Nebraska.
12 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 97 of this act shall be known
2 and may be cited as the Motor Vehicle Certificate of Title Act.

3 Sec. 2. For purposes of the Motor Vehicle Certificate of
4 Title Act, unless the context otherwise requires, the definitions
5 found in sections 3 to 36 of this act shall be used.

6 Sec. 3. All-terrain vehicle means any motorized
7 off-highway device which (1) is fifty inches or less in width, (2)
8 has a dry weight of nine hundred pounds or less, (3) travels on
9 three or more low-pressure tires, (4) is designed for operator use
10 only with no passengers or is specifically designed by the original
11 manufacturer for the operator and one passenger, (5) has a seat or
12 saddle designed to be straddled by the operator, and (6) has
13 handlebars or any other steering assembly for steering control.

14 Sec. 4. Assembled vehicle means a vehicle that is
15 materially altered from its construction by the removal, addition,
16 or substitution of new or used major component parts. Its make
17 shall be assembled, and its model year shall be the year in which
18 the vehicle was assembled. Assembled vehicle also includes a
19 specially constructed vehicle.

20 Sec. 5. Body means that portion of a vehicle which
21 determines its shape and appearance and is attached to the frame.

22 Sec. 6. Bus means every motor vehicle designed for
23 carrying more than ten passengers and used for the transportation
24 of persons and every motor vehicle, other than a taxicab, designed
25 and used for the transportation of persons for compensation.

26 Sec. 7. Cabin trailer means a trailer or a semitrailer,
27 which is designed, constructed, and equipped as a dwelling place,
28 living abode, or sleeping place, whether used for such purposes or

1 instead permanently or temporarily for the advertising, sale,
2 display, or promotion of merchandise or services or for any other
3 commercial purpose except transportation of property for hire or
4 transportation of property for distribution by a private carrier.

5 Cabin trailer does not mean a trailer or semitrailer which is
6 permanently attached to real estate. There are three classes of
7 cabin trailers:

8 (1) Camping trailer which includes cabin trailers one
9 hundred two inches or less in width and forty feet or less in
10 length and adjusted mechanically smaller for towing;

11 (2) Mobile home which includes cabin trailers more than
12 one hundred two inches in width or more than forty feet in length;

13 (3) Travel trailer which includes cabin trailers not more
14 than one hundred two inches in width nor more than forty feet in
15 length from front hitch to rear bumper, except as provided in
16 subdivision (2)(k) of section 60-6,288; and

17 (4) Manufactured home means a structure, transportable in
18 one or more sections, which in the traveling mode is eight body
19 feet or more in width or forty body feet or more in length or when
20 erected on site is three hundred twenty of more square feet and
21 which is built on a permanent frame and designed to be used as a
22 dwelling with or without a permanent foundation when connected to
23 the required utilities and includes the plumbing, heating, air
24 conditioning, and electrical systems contained in the structure,
25 except that manufactured home includes any structure that meets all
26 of the requirements of this subdivision other than the size
27 requirements and with respect to which the manufacturer voluntarily
28 files a certification required by the United States Secretary of

1 Housing and Urban Development and complies with the standards
2 established under the National Manufactured Housing Construction
3 and Safety Standards Act of 1974, as such act existed on September
4 1, 2001, 42 U.S.C. 5401 et seq. Manufactured home also includes
5 any manufactured home designed and manufactured with more than one
6 separate living unit for the purpose of multifamily living.

7 Sec. 8. Collector means the owner of one or more
8 vehicles of historical interest who collects, purchases, acquires,
9 trades, or disposes of such vehicles or parts thereof for his or
10 her own use in order to preserve, restore, and maintain a vehicle
11 or vehicles for hobby purposes.

12 Sec. 9. Commercial trailer means any trailer or
13 semitrailer which has a gross weight, including load thereon, of
14 more than nine thousand pounds and which is designed, used, or
15 maintained for the transportation of persons or property for hire,
16 compensation, or profit or designed, used, or maintained primarily
17 for the transportation of property. Commercial trailer does not
18 include cabin trailers, farm trailers, fertilizer trailers, or
19 utility trailers.

20 Sec. 10. Department means the Department of Motor
21 Vehicles.

22 Sec. 11. Designated county official means the county
23 official, other than the county clerk, designated by a county board
24 to provide services pursuant to section 23-186.

25 Sec. 12. Director means the Director of Motor Vehicles.

26 Sec. 13. Electric personal assistive mobility device
27 means a self-balancing, two-nontandem-wheeled device, designed to
28 transport only one person and containing an electric propulsion

1 system with an average power of seven hundred fifty watts or one
2 horsepower, whose maximum speed on a paved level surface, when
3 powered solely by such a propulsion system and while being ridden
4 by an operator who weighs one hundred seventy pounds, is less than
5 twenty miles per hour.

6 Sec. 14. Farm trailer means a trailer belonging to a
7 farmer or rancher and used wholly and exclusively to carry supplies
8 to the owner's farm or ranch, used by a farmer or rancher to carry
9 his or her own products to storage or market, or used by a farmer
10 or rancher for such hauling of such supplies or products in
11 exchange of services.

12 Sec. 15. Fertilizer trailer means any trailer, including
13 goose-neck applicators or trailers, designed and used exclusively to
14 carry or apply agricultural fertilizer or agricultural chemicals
15 and having a gross weight, including load thereon, of twenty
16 thousand pounds or less.

17 Sec. 16. Frame means that portion of a vehicle upon
18 which other components are affixed, such as the engine, body, or
19 transmission.

20 Sec. 17. Historical vehicle means a vehicle of any age
21 which is essentially unaltered from the original manufacturer's
22 specifications and, because of its significance, is being
23 collected, preserved, restored, or maintained by a hobbyist as a
24 leisure pursuit. This category includes vehicles sometimes
25 referred to by the classifications of antique, horseless carriage,
26 classic, or action era.

27 Sec. 18. Inspection means an identification inspection
28 conducted pursuant to section 41 of this act.

1 Sec. 19. Kit vehicle means a vehicle assembled by a
2 person other than a generally recognized manufacturer of vehicles
3 by the use of a replica purchased from an authorized manufacturer
4 and accompanied by a manufacturer's statement of origin. The term
5 kit vehicle does not include glider kits.

6 Sec. 20. Major component part means an engine, with or
7 without accessories, a transmission, a cowl, a door, a frame, a
8 body, a rear clip, or a nose.

9 Sec. 21. Minibike means a two-wheel device which has a
10 total wheel and tire diameter of less than fourteen inches or an
11 engine-rated capacity of less than forty-five cubic centimeters
12 displacement or any other two-wheel device primarily designed by
13 the manufacturer for off-road use only. Minibike does not include
14 an electric personal assistive mobility device.

15 Sec. 22. Moped means a bicycle with fully operative
16 pedals for propulsion by human power, an automatic transmission,
17 and a motor with a cylinder capacity not exceeding fifty cubic
18 centimeters which produces no more than two brake horsepower and is
19 capable of propelling the bicycle at a maximum design speed of no
20 more than thirty miles per hour on level ground.

21 Sec. 23. Motor vehicle means any vehicle propelled by
22 any power other than muscular power except (1) mopeds, (2) farm
23 tractors, (3) self-propelled equipment designed and used
24 exclusively to carry and apply fertilizer, chemicals, or related
25 products to agricultural soil and crops, agricultural
26 floater-spreader implements, and other implements of husbandry
27 designed for and used primarily for tilling the soil and harvesting
28 crops or feeding livestock, (4) power unit hay grinders or a

1 combination which includes a power unit and a hay grinder when
2 operated without cargo, (5) vehicles which run only on rails or
3 tracks, (6) off-road designed vehicles, including, but not limited
4 to, golf carts, go-carts, riding lawnmowers, garden tractors,
5 all-terrain vehicles, snowmobiles registered or exempt from
6 registration under Chapter 60, article 3, and minibikes, (7) road
7 and general-purpose construction and maintenance machinery not
8 designed or used primarily for the transportation of persons or
9 property, including, but not limited to, ditchdigging apparatus,
10 asphalt spreaders, bucket loaders, leveling graders, earthmoving
11 carryalls, power shovels, earthmoving equipment, and crawler
12 tractors, (8) self-propelled chairs used by persons who are
13 disabled, and (9) electric personal assistive mobility devices.

14 Sec. 24. Motorcycle means any motor vehicle having a
15 seat or saddle for the use of the operator and designed to travel
16 on not more than three wheels in contact with the ground.

17 Sec. 25. Nose means that portion of the body of a
18 vehicle from the front to the firewall when acquired or transferred
19 as a complete unit.

20 Sec. 26. Parts vehicle means a vehicle generally in
21 nonoperable condition which is owned by a collector to furnish
22 parts that are usually not obtainable from normal sources, thus
23 enabling a collector to preserve, restore, and maintain a
24 historical vehicle.

25 Sec. 27. Patrol means the Nebraska State Patrol.

26 Sec. 28. Rear clip means two or more of the following,
27 all dismantled from the same vehicle: A quarter panel or fender; a
28 floor panel assembly; or a trunk lid or gate.

1 Sec. 29. Semitrailer means any device without motive
2 power designed for carrying persons or property and for being towed
3 by a motor vehicle and so constructed that some part of its weight
4 and that of its load rests upon or is carried by the towing
5 vehicle.

6 Sec. 30. Situs means the tax district where a vehicle is
7 stored and kept for the greater portion of the calendar year. For
8 a vehicle used or owned by a student, the situs is at the place of
9 residence of the student if different from the place at which he or
10 she is attending school.

11 Sec. 31. Specially constructed vehicle means a vehicle
12 which was not originally constructed under a distinctive name,
13 make, model, or type by a manufacturer of vehicles. The term
14 specially constructed vehicle includes kit vehicle.

15 Sec. 32. Superintendent means the Superintendent of Law
16 Enforcement and Public Safety.

17 Sec. 33. Trailer means any device without motive power
18 designed for carrying persons or property and being towed by a
19 motor vehicle and so constructed that no part of its weight rests
20 upon the towing vehicle.

21 Sec. 34. Truck means any motor vehicle designed, used,
22 or maintained primarily for the transportation of property.

23 Sec. 35. Utility trailer means a trailer having a gross
24 weight, including load thereon, of nine thousand pounds or less.

25 Sec. 36. Vehicle means a motor vehicle, all-terrain
26 vehicle, minibike, trailer, or semitrailer.

27 Sec. 37. (1) The Motor Vehicle Certificate of Title Act
28 applies to all vehicles as defined in the act, except:

1 (a) Farm trailers;

2 (b) All-terrain vehicles and minibikes sold prior to
3 January 1, 2004; and

4 (c) Trucks and buses from other jurisdictions required to
5 pay registration fees under Chapter 60, article 3, except a vehicle
6 registered or eligible to be registered as part of a fleet of
7 apportionable vehicles under section 60-356.

8 (2) All new all-terrain vehicles and minibikes sold on or
9 after January 1, 2004, shall be required to have a certificate of
10 title. An owner of an all-terrain vehicle or minibike sold prior
11 to such date may apply for a certificate of title for such
12 all-terrain vehicle or minibike as provided in rules and
13 regulations of the department.

14 (3) An owner of a utility trailer may apply for a
15 certificate of title upon compliance with the Motor Vehicle
16 Certificate of Title Act.

17 Sec. 38. No manufacturer, importer, dealer, or other
18 person shall sell or otherwise dispose of a new vehicle to a dealer
19 to be used by such dealer for purposes of display and resale
20 without (1) delivering to such dealer a duly executed
21 manufacturer's or importer's certificate with such assignments as
22 may be necessary to show title in the purchaser and (2) having
23 affixed to the vehicle its vehicle identification number if it is
24 not already affixed. No dealer shall purchase or acquire a new
25 vehicle without obtaining from the seller such manufacturer's or
26 importer's certificate.

27 Sec. 39. Except as provided in section 37 of this act,
28 no person shall sell or otherwise dispose of a vehicle without (1)

1 delivering to the purchaser or transferee of such vehicle a
2 certificate of title with such assignments thereon as may be
3 necessary to show title in the purchaser and (2) having affixed to
4 the vehicle its vehicle identification number if it is not already
5 affixed. No person shall bring into this state a vehicle for which
6 a certificate of title is required in Nebraska, except for
7 temporary use, without complying with the Motor Vehicle Certificate
8 of Title Act.

9 No purchaser or transferee shall receive a certificate of
10 title which does not contain such assignments as may be necessary
11 to show title in the purchaser or transferee. Possession of a
12 certificate of title which does not meet this requirement shall be
13 prima facie evidence of a violation of this section, and such
14 purchaser or transferee, upon conviction, shall be subject to the
15 penalty provided by section 80 of this act.

16 Sec. 40. Except as provided in section 64 of this act,
17 no person acquiring a vehicle from the owner thereof, whether such
18 owner is a manufacturer, importer, dealer, or otherwise, shall
19 acquire any right, title, claim, or interest in or to such vehicle
20 until the acquiring person has had delivered to him or her physical
21 possession of such vehicle and a certificate of title, a duly
22 executed manufacturer's or importer's certificate with such
23 assignments as may be necessary to show title in the purchaser, or
24 an instrument in writing required by section 60-1417. No waiver or
25 estoppel shall operate in favor of such person against a person
26 having physical possession of such vehicle and such certificate of
27 title, manufacturer's or importer's certificate, or instrument in
28 writing required by section 60-1417. No court in any case at law

1 or in equity shall recognize the right, title, claim, or interest
2 of any person in or to a vehicle, for which a certificate of title
3 has been issued in Nebraska, sold, disposed of, mortgaged, or
4 encumbered, unless there is compliance with this section.

5 Sec. 41. A dealer need not apply for certificates of
6 title for any vehicles in stock or acquired for stock purposes, but
7 upon transfer of such vehicle in stock or acquired for stock
8 purposes, the dealer shall give the transferee a reassignment of
9 the certificate of title on such vehicle or an assignment of a
10 manufacturer's or importer's certificate. If all reassignments on
11 the manufacturer's or importer's certificate or certificate of
12 title have been used, the dealer shall obtain title in the dealer's
13 name prior to any subsequent transfer. No dealer shall execute a
14 reassignment on or transfer ownership by way of a manufacturer's
15 statement of origin unless the dealer is franchised by the
16 manufacturer of the vehicle.

17 Sec. 42. (1) A collector who has assembled a vehicle
18 meeting the specifications of a historical vehicle from parts
19 obtained from a variety of different sources and at various
20 different times shall be issued a historical vehicle title upon
21 furnishing a bill or bills of sale for the major component parts,
22 and in cases when that evidence by itself is deemed inadequate, by
23 executing an affidavit in verification. To be considered adequate,
24 the bills of sale shall be notarized, shall indicate the source of
25 the major component part, and shall list the identification or
26 serial numbers of each.

27 (2) The sale or trade and subsequent legal transfer of
28 ownership of a historical vehicle or parts vehicle shall not be

1 contingent upon any condition that would require the historical
2 vehicle or parts vehicle to be in operating condition at the time
3 of the sale or transfer of ownership.

4 Sec. 43. Vehicles with modifications or deviations from
5 the original specifications may be permitted under the
6 classification of historical vehicle if such modifications or
7 deviations are of historic nature and characteristic of the
8 approximate era to which the vehicle belongs or if they could be
9 considered to be in the category of safety features.
10 Safety-related modifications include hydraulic brakes, sealed-beam
11 headlights, and occupant protection systems as defined in section
12 60-6,265. Accessories acceptable under such classification are
13 those available in the era to which the vehicle belongs.

14 Sec. 44. (1) (a) Except as provided in subdivision (b) of
15 this subsection, the county clerk or designated county official
16 shall be responsible for issuing and filing certificates of title
17 for vehicles, and each county shall issue and file such
18 certificates of title using the vehicle titling and registration
19 computer system prescribed by the department. Application for a
20 certificate of title shall be made upon a form prescribed by the
21 department. All applications shall be accompanied by the
22 appropriate fee or fees.

23 (b) The department shall issue and file certificates of
24 title for Nebraska-based fleet vehicles. Application for a
25 certificate of title shall be made upon a form prescribed by the
26 department. All applications shall be accompanied by the
27 appropriate fee or fees.

28 (2) If the owner of an all-terrain vehicle or a minibike

1 resides in Nebraska, the application shall be filed with the county
2 clerk or designated county official of the county in which the
3 owner resides.

4 (3) If a vehicle, other than an all-terrain vehicle or a
5 minibike, has situs in Nebraska, the application shall be filed
6 with the county clerk or designated county official of the county
7 in which the vehicle has situs.

8 (4) If the owner of a vehicle is a nonresident, the
9 application shall be filed in the county in which the transaction
10 is consummated.

11 (5) The application shall be filed within thirty days
12 after the delivery of the vehicle.

13 (6) All applicants registering a vehicle pursuant to
14 section 60-356 shall file the application for a certificate of
15 title with the Division of Motor Carrier Services of the
16 department. The division shall deliver the certificate to the
17 applicant if there are no liens on the vehicle. If there are any
18 liens on the vehicle, the division shall deliver or mail the
19 certificate of title to the holder of the first lien on the day of
20 issuance. All certificates of title issued by the division shall
21 be issued in the manner prescribed for the county clerk or
22 designated county official in section 52 of this act.

23 (7) The department shall issue and file certificates of
24 title for state-owned vehicles. Application for a certificate of
25 title shall be made upon a form prescribed by the department. All
26 applications shall be accompanied by the appropriate fee or fees.

27 Sec. 45. For any motor vehicle which is to be used as a
28 taxi, the application and the certificate of title shall show on

1 the face thereof that such vehicle is being used or has been used
2 as a taxi and such subsequent certificates of title shall show the
3 same information.

4 Sec. 46. (1) An application for a certificate of title
5 for a vehicle shall include a statement that an identification
6 inspection has been conducted on the vehicle unless (a) the title
7 sought is a salvage branded certificate of title or a
8 nontransferable certificate of title, (b) the surrendered ownership
9 document is a Nebraska certificate of title, a manufacturer's
10 statement of origin, an importer's statement of origin, a United
11 States Government Certificate of Release of a vehicle, or a
12 nontransferable certificate of title, (c) the application contains
13 a statement that the vehicle is to be registered under section
14 60-356, (d) the vehicle is a cabin trailer, (e) the title sought is
15 the first title for the vehicle sold directly by the manufacturer
16 of the vehicle to a dealer franchised by the manufacturer, or (f)
17 the vehicle was sold at an auction authorized by the manufacturer
18 and purchased by a dealer franchised by the manufacturer of the
19 vehicle.

20 (2) The department shall prescribe a form to be executed
21 by a dealer and submitted with an application for a certificate of
22 title for vehicles exempt from inspection pursuant to subdivision
23 (1)(e) or (f) of this section. The form shall clearly identify the
24 vehicle and state under penalty of law that the vehicle is exempt
25 from inspection.

26 (3) The statement that an identification inspection has
27 been conducted shall be furnished by the county sheriff of any
28 county or by any other holder of a certificate of training issued

1 pursuant to section 83 of this act, shall be in a format as
2 determined by the department, and shall expire ninety days after
3 the date of the inspection. The county clerk or designated county
4 official shall accept a certificate of inspection, approved by the
5 superintendent, from an officer of a state police agency of another
6 state.

7 (4) The identification inspection shall include
8 examination and notation of the then current odometer reading, if
9 any, and a comparison of the vehicle identification number with the
10 number listed on the ownership records, except that if a lien is
11 registered against a vehicle and recorded on the vehicle's
12 ownership records, the county clerk or designated county official
13 shall provide a copy of the ownership records for use in making
14 such comparison. If such numbers are not identical, if there is
15 reason to believe further inspection is necessary, or if the
16 inspection is for a Nebraska assigned number, the person performing
17 the inspection shall make a further inspection of the vehicle which
18 may include, but shall not be limited to, examination of other
19 identifying numbers placed on the vehicle by the manufacturer and
20 an inquiry into the numbering system used by the state issuing such
21 ownership records to determine ownership of a vehicle. The
22 identification inspection shall also include a statement that the
23 vehicle identification number has been checked for entry in the
24 National Crime Information Center and the Nebraska Crime
25 Information Service. In the case of an assembled vehicle, the
26 identification inspection shall include, but not be limited to, an
27 examination of the records showing the date of receipt and source
28 of each major component part.

1 (5) If there is cause to believe that odometer fraud
2 exists, written notification shall be given to the office of the
3 Attorney General. If after such inspection the sheriff or his or
4 her designee determines that the vehicle is not the vehicle
5 described by the ownership records, no statement shall be issued.

6 Sec. 47. (1) An application for a certificate of title
7 for a mobile home or cabin trailer shall be accompanied by a
8 certificate that states that sales or use tax has been paid on the
9 purchase of the mobile home or cabin trailer or that the transfer
10 of title was exempt from sales and use taxes. The county clerk or
11 designated county official shall issue a certificate of title for a
12 mobile home or cabin trailer but shall not deliver the certificate
13 of title unless the certificate required under this subsection
14 accompanies the application for certificate of title for the mobile
15 home or cabin trailer, except that the failure of the application
16 to be accompanied by such certificate shall not prevent the
17 notation of a lien on the certificate of title to the mobile home
18 or cabin trailer pursuant to section 64 of this act and delivery to
19 the holder of the first lien.

20 (2) An application for a certificate of title to a mobile
21 home shall be accompanied by a mobile home transfer statement
22 prescribed by the Property Tax Administrator. The mobile home
23 transfer statement shall be filed by the applicant with the county
24 clerk or designated county official of the county of application
25 for title. The county clerk or designated county official shall
26 issue a certificate of title to a mobile home but shall not deliver
27 the certificate of title unless the mobile home transfer statement
28 accompanies the application for title, except that the failure to

1 provide the mobile home transfer statement shall not prevent the
2 notation of a lien on the certificate of title to the mobile home
3 pursuant to section 64 of this act and delivery to the holder of
4 the first lien. The county clerk or designated county official
5 shall retain the original copy of the mobile home transfer
6 statement, forward two copies to the county assessor, and provide a
7 copy to the applicant.

8 Sec. 48. (1) Whenever a person applies for a certificate
9 of title for a vehicle, the county clerk or designated county
10 official, subject to the approval of the department, shall assign a
11 distinguishing identification number to the vehicle whenever such
12 vehicle identification number is destroyed, obliterated, or
13 missing. The owner of such a vehicle to which such number is
14 assigned shall have such number affixed to such vehicle in a manner
15 prescribed by the department. Before the certificate of title for
16 an assigned number is released to the applicant by the county clerk
17 or designated county official, the applicant must provide a
18 statement that an identification inspection has been conducted
19 pursuant to section 41 of this act.

20 (2) The department shall develop a metallic assigned
21 vehicle identification number plate which can be permanently
22 secured to a vehicle by rivets. All distinguishing identification
23 number plates shall display seventeen characters. When the
24 manufacturer's vehicle identification number is known, it shall be
25 used by the department as the assigned number. In the case of an
26 assembled all-terrain vehicle or minibike or assembled vehicle, the
27 department shall use a distinguishing identification number. The
28 number shall include seventeen positions, the last two being "NE".

1 The department shall, at the request of the county clerk or
2 designated county official, provide the county clerk or designated
3 county official with a number plate displaying a distinguishing
4 identification number or the manufacturer's number provided by the
5 county clerk or designated county official.

6 (3) Any vehicle to which a distinguishing identification
7 number is assigned shall be titled under such distinguishing
8 identification number when titling of the vehicle is required under
9 the Motor Vehicle Certificate of Title Act.

10 Sec. 49. (1) If a certificate of title has previously
11 been issued for a vehicle in this state, the application for a new
12 certificate of title shall be accompanied by the certificate of
13 title duly assigned except as otherwise provided in the Motor
14 Vehicle Certificate of Title Act. If a certificate of title has
15 not previously been issued for the vehicle in this state or if a
16 certificate of title is unavailable pursuant to subsection (4) of
17 section 52-1801, the application shall be accompanied by a
18 manufacturer's or importer's certificate; a duly certified copy
19 thereof; an affidavit by the owner affirming ownership in the case
20 of an all-terrain vehicle or a minibike; a certificate of title
21 from another state; or a court order issued by a court of record, a
22 manufacturer's certificate of origin, or an assigned registration
23 certificate, if the law of the state from which the vehicle was
24 brought into this state does not have a certificate of title law.
25 If the application for a certificate of title in this state is
26 accompanied by a valid certificate of title issued by another state
27 which meets that state's requirements for transfer of ownership,
28 then the application may be accepted by this state. If the vehicle

1 is a specially constructed vehicle, the application shall be
2 accompanied by a kit manufacturer's certificate of origin and a
3 bill of sale or manufacturer's certificates of origin and bills of
4 sale for all major component parts. If a certificate of title has
5 not previously been issued for the vehicle in this state and the
6 applicant is unable to provide such documentation, the applicant
7 may apply for a bonded certificate of title as prescribed in
8 section 67 of this act.

9 (2) For purposes of this section, certificate of title
10 includes a salvage certificate, a salvage branded certificate of
11 title, or any other document of ownership issued by another state
12 or jurisdiction for a salvage vehicle. Only a salvage branded
13 certificate of title shall be issued to any vehicle conveyed upon a
14 salvage certificate, a salvage branded certificate of title, or any
15 other document of ownership issued by another state or jurisdiction
16 for a salvage vehicle.

17 (3) The county clerk or designated county official shall
18 retain the evidence of title presented by the applicant and on
19 which the certificate of title is issued.

20 Sec. 50. The county clerk or designated county official
21 shall use reasonable diligence in ascertaining whether or not the
22 statements in the application for a certificate of title are true
23 by checking the application and documents accompanying the same
24 with the records available. If he or she is satisfied that the
25 applicant is the owner of such vehicle and that the application is
26 in the proper form, the county clerk or designated county official
27 shall issue a certificate of title over his or her signature and
28 sealed with the appropriate seal.

1 Sec. 51. The certificate of title for a vehicle shall be
 2 obtained in the name of the purchaser upon application signed by
 3 the purchaser, except that (1) for titles to be held by husband and
 4 wife, applications may be accepted upon the signature of either one
 5 as a signature for himself or herself and as agent for his or her
 6 spouse and (2) for an applicant providing proof that he or she is a
 7 handicapped or disabled person as defined in section 18-1738,
 8 applications may be accepted upon the signature of the applicant's
 9 parent, legal guardian, foster parent, or agent.

10 Sec. 52. (1) The county clerk or designated county
 11 official shall issue a certificate of title for a vehicle in
 12 duplicate and retain one copy in his or her office. An electronic
 13 copy, in a form prescribed by the department, shall be transmitted
 14 on the day of issuance to the department. The county clerk or
 15 designated county official shall sign and affix the appropriate
 16 seal to the original certificate of title and, if there are no
 17 liens on the vehicle, deliver the certificate to the applicant. If
 18 there are one or more liens on the vehicle, the certificate of
 19 title shall be delivered or mailed to the holder of the first lien
 20 on the day of issuance.

21 (2) The county clerks or county treasurers of the various
 22 counties shall adopt a circular seal with the words County Clerk of
 23 (insert name) County or County Treasurer of
 24 (insert name) County thereon. Such seal shall be used by the
 25 county clerk or county treasurer or the deputy or legal authorized
 26 agent of such officer, without charge to the applicant, on any
 27 certificate of title, application for certificate of title,
 28 duplicate copy, assignment or reassignment, power of attorney,

1 statement, or affidavit pertaining to the issuance of a Nebraska
2 certificate of title. The designated county official or the deputy
3 or legal authorized agent of such officer shall use the seal of the
4 county, without charge to the applicant, on any such document.

5 (3) The department shall prescribe a uniform method of
6 numbering certificates of title.

7 (4) The county clerk or designated county official shall
8 (a) file all certificates of title according to rules and
9 regulations adopted and promulgated by the department, (b) maintain
10 in the office indices for such certificates of title, (c) be
11 authorized to destroy all previous records five years after a
12 subsequent transfer has been made on a vehicle, and (d) be
13 authorized to destroy all certificates of title and all supporting
14 records and documents which have been on file for a period of five
15 years or more from the date of filing the certificate or a notation
16 of lien, whichever occurs later. Any person holding a certificate
17 of title to a vehicle may refile the same with the county clerk or
18 designated county official to prevent destruction of the records
19 thereof pursuant to this subsection.

20 Sec. 53. (1) A certificate of title shall be printed
21 upon safety security paper to be selected by the department. The
22 certificate of title, manufacturer's statement of origin, and
23 assignment of manufacturer's certificate shall be upon forms
24 prescribed by the department and may include, but shall not be
25 limited to, county of issuance, date of issuance, certificate of
26 title number, previous certificate of title number, vehicle
27 identification number, year, make, model, and body type of the
28 vehicle, name and residential and mailing address of the owner,

1 acquisition date, issuing county clerk's or designated county
2 official's signature and official seal, and sufficient space for
3 the notation and release of liens, mortgages, or encumbrances, if
4 any. The certificate of title of an all-terrain vehicle or
5 minibike shall include the words "not to be registered for road
6 use".

7 (2) An assignment of certificate of title shall appear on
8 each certificate of title and shall include, but not be limited to,
9 a statement that the owner of the vehicle assigns all his or her
10 right, title, and interest in the vehicle, the name and address of
11 the assignee, the name and address of the lienholder or secured
12 party, if any, and the signature of the owner or the owner's
13 parent, legal guardian, foster parent, or agent in the case of an
14 owner who is a handicapped or disabled person as defined in section
15 18-1738.

16 (3) A reassignment by a dealer shall appear on each
17 certificate of title and shall include, but not be limited to, a
18 statement that the dealer assigns all his or her right, title, and
19 interest in the vehicle, the name and address of the assignee, the
20 name and address of the lienholder or secured party, if any, and
21 the signature of the dealer or designated representative.
22 Reassignments shall be printed on the reverse side of each
23 certificate of title as many times as convenient.

24 (4) The department may prescribe a secure
25 power-of-attorney form and may contract with one or more persons to
26 develop, provide, sell, and distribute secure power-of-attorney
27 forms in the manner authorized or required by the federal Truth in
28 Mileage Act of 1986 and any other federal law or regulation. Any

1 secure power-of-attorney form authorized pursuant to a contract
2 shall conform to the terms of the contract and be in strict
3 compliance with the requirements of the department.

4 Sec. 54. (1) (a) For each original certificate of title
5 issued by a county for a motor vehicle or trailer, the fee shall be
6 ten dollars. Three dollars and twenty-five cents shall be retained
7 by the county. Four dollars shall be remitted to the State
8 Treasurer for credit to the Department of Motor Vehicles Cash Fund.
9 Two dollars shall be remitted to the State Treasurer for credit to
10 the General Fund. Seventy-five cents shall be remitted to the
11 State Treasurer for credit as follows: Twenty cents to a fund to
12 be administered by the Consumer Protection Division of the
13 Department of Justice at the direction of the Attorney General for
14 the purposes of the investigation and prosecution of odometer and
15 motor vehicle fraud and motor vehicle licensing violations which
16 may be referred by the Nebraska Motor Vehicle Industry Licensing
17 Board; forty-five cents to the Nebraska State Patrol Cash Fund; and
18 ten cents to the Nebraska Motor Vehicle Industry Licensing Fund for
19 the purpose of conducting preliminary investigations of motor
20 vehicle licensing violations relating to odometer and motor vehicle
21 fraud; and

22 (b) For each original certificate of title issued by a
23 county for an all-terrain vehicle or a minibike, the fee shall be
24 ten dollars. Three dollars and twenty-five cents shall be retained
25 by the county. Four dollars shall be remitted to the State
26 Treasurer for credit to the Department of Motor Vehicles Cash Fund.
27 Two dollars shall be remitted to the State Treasurer for credit to
28 the General Fund. Seventy-five cents shall be remitted to the

1 State Treasurer for credit as follows: Twenty cents to a fund to
2 be administered by the Consumer Protection Division of the
3 Department of Justice at the direction of the Attorney General for
4 the purposes of the investigation and prosecution of fraud and
5 theft of all-terrain vehicles and minibikes; and fifty-five cents
6 to the Nebraska State Patrol Cash Fund.

7 (2) For each original certificate of title issued by the
8 department for a vehicle, the fee shall be ten dollars, which shall
9 be remitted to the State Treasurer for credit to the Motor Carrier
10 Division Cash Fund.

11 Sec. 55. (1) For each notation of a lien by a county,
12 the fee shall be seven dollars. Two dollars shall be retained by
13 the county. Four dollars shall be remitted to the State Treasurer
14 for credit to the Department of Motor Vehicles Cash Fund. One
15 dollar shall be remitted to the State Treasurer for credit to the
16 General Fund.

17 (2) For each notation of a lien by the department, the
18 fee shall be seven dollars, which shall be remitted to the State
19 Treasurer for credit to the Motor Carrier Division Cash Fund.

20 Sec. 56. (1) For each duplicate certificate of title
21 issued by a county for a vehicle, the fee shall be fourteen
22 dollars. Ten dollars shall be retained by the county. Four
23 dollars shall be remitted to the State Treasurer for credit to the
24 Department of Motor Vehicles Cash Fund.

25 (2) For each duplicate certificate of title issued by the
26 department for a vehicle, the fee shall be fourteen dollars, which
27 shall be remitted to the State Treasurer for credit to the Motor
28 Carrier Division Cash Fund.

1 Sec. 57. (1) For each refiling of a certificate of title
2 by a county for a vehicle, the fee shall be eight dollars. Four
3 dollars shall be retained by the county. Four dollars shall be
4 remitted to the State Treasurer for credit to the Department of
5 Motor Vehicles Cash Fund.

6 (2) For each refiling of a certificate of title by the
7 department for a vehicle, the fee shall be eight dollars, which
8 shall be remitted to the State Treasurer for credit to the Motor
9 Carrier Division Cash Fund.

10 Sec. 58. (1) For each identification inspection
11 conducted by the patrol, the fee shall be ten dollars, which shall
12 be remitted to the State Treasurer for credit to the Nebraska State
13 Patrol Cash Fund.

14 (2) For each identification inspection conducted by a
15 county sheriff, the fee shall be ten dollars, which shall be paid
16 to the county treasurer and credited to the county sheriff's
17 vehicle inspection account within the county general fund.

18 Sec. 59. For each application for a metallic assigned
19 vehicle identification number plate, the fee shall be twenty
20 dollars, which shall be remitted to the State Treasurer for credit
21 to the Department of Motor Vehicles Cash Fund.

22 Sec. 60. For each bonded certificate of title issued for
23 a vehicle, the fee shall be fifty dollars, which shall be remitted
24 to the State Treasurer for credit to the Department of Motor
25 Vehicles Cash Fund.

26 Sec. 61. The county clerk or designated county official
27 shall remit all funds due the State Treasurer under sections 54 to
28 60 of this act monthly and not later than the fifth day of the

1 month following collection. The county clerk or designated county
2 official shall remit fees not due the State of Nebraska to their
3 respective county treasurers who shall credit the fees to the
4 county general fund.

5 Sec. 62. (1) The department may adopt and promulgate
6 rules and regulations to insure uniform and orderly operation of
7 the Motor Vehicle Certificate of Title Act, and the county clerk or
8 designated county official of each county shall conform to such
9 rules and regulations and proceed at the direction of the
10 department. The department shall also provide the county clerks
11 and designated county officials with the necessary training for the
12 proper administration of the act.

13 (2) The department shall receive all instruments relating
14 to vehicles forwarded to it by the county clerks and designated
15 county officials under the act and shall maintain indices covering
16 the state at large for the instruments so received. These indices
17 shall be by motor number or by an identification number and
18 alphabetically by the owner's name and shall be for the state at
19 large and not for individual counties.

20 (3) The department shall provide and furnish the forms
21 required by the act, except manufacturers' or importers'
22 certificates.

23 (4) The county clerk or designated county official shall
24 keep on hand a sufficient supply of blank forms which, except
25 certificate of title forms, shall be furnished and distributed
26 without charge to manufacturers, dealers, or other persons residing
27 within the county.

28 Sec. 63. (1) The department shall check with its records

1 all duplicate certificates of title received from a county clerk or
2 designated county official. If it appears that a certificate of
3 title has been improperly issued, the department shall cancel the
4 same. Upon cancellation of any certificate of title, the
5 department shall notify the county clerk or designated county
6 official who issued the same, and such county clerk or designated
7 county official shall thereupon enter the cancellation upon his or
8 her records. The department shall also notify the person to whom
9 such certificate of title was issued, as well as any lienholders
10 appearing thereon, of the cancellation and shall demand the
11 surrender of such certificate of title, but the cancellation shall
12 not affect the validity of any lien noted thereon. The holder of
13 such certificate of title shall return the same to the department
14 forthwith.

15 (2) If a certificate of registration has been issued to
16 the holder of a certificate of title so canceled, the department
17 shall immediately cancel the same and demand the return of such
18 certificate of registration and license plates or tags, and the
19 holder of such certificate of registration and license plates or
20 tags shall return the same to the department forthwith.

21 Sec. 64. (1) Except as provided in section 65 of this
22 act, the provisions of article 9, Uniform Commercial Code, shall
23 never be construed to apply to or to permit or require the deposit,
24 filing, or other record whatsoever of a security agreement,
25 conveyance intended to operate as a mortgage, trust receipt,
26 conditional sales contract, or similar instrument or any copy of
27 the same covering a vehicle. Any mortgage, conveyance intended to
28 operate as a security agreement as provided by article 9, Uniform

1 Commercial Code, trust receipt, conditional sales contract, or
2 other similar instrument covering a vehicle, if such instrument is
3 accompanied by delivery of such manufacturer's or importer's
4 certificate and followed by actual and continued possession of the
5 same by the holder of such instrument or, in the case of a
6 certificate of title, if a notation of the same has been made by
7 the county clerk, designated county official, or department on the
8 face thereof, shall be valid as against the creditors of the
9 debtor, whether armed with process or not, and subsequent
10 purchasers, secured parties, and other lienholders or claimants but
11 otherwise shall not be valid against them, except that during any
12 period in which a vehicle is inventory, as defined in section
13 9-102, Uniform Commercial Code, held for sale by a person or
14 corporation that is required to be licensed as provided in Chapter
15 60, article 14, and is in the business of selling such vehicles,
16 the filing provisions of article 9, Uniform Commercial Code, as
17 applied to inventory, shall apply to a security interest in such
18 vehicle created by such person or corporation as debtor without the
19 notation of lien on the instrument of title. A buyer of a vehicle
20 at retail from a dealer required to be licensed as provided in
21 Chapter 60, article 14, shall take such vehicle free of any
22 security interest.

23 (2) Subject to subsection (1) of this section, all liens,
24 security agreements, and encumbrances noted upon a certificate of
25 title shall take priority according to the order of time in which
26 the same are noted thereon by the county clerk, designated county
27 official, or department. Exposure for sale of any vehicle by the
28 owner thereof with the knowledge or with the knowledge and consent

1 of the holder of any lien, security agreement, or encumbrance on
2 such vehicle shall not render the same void or ineffective as
3 against the creditors of such owner or holder of subsequent liens,
4 security agreements, or encumbrances upon such vehicle.

5 (3) The holder of a security agreement, trust receipt,
6 conditional sales contract, or similar instrument, upon
7 presentation of such instrument to the department, if the
8 certificate of title was issued by the department, or to any county
9 clerk or designated county official, together with the certificate
10 of title and the fee prescribed for notation of lien, may have a
11 notation of such lien made on the face of such certificate of
12 title. The county clerk or designated county official or the
13 department shall enter the notation and the date thereof over the
14 signature of such officer and the official seal. If noted by a
15 county clerk or designated county official, he or she shall on that
16 day notify the department which shall note the lien on its records.
17 The county clerk or designated county official or the department
18 shall also indicate by appropriate notation and on such instrument
19 itself the fact that such lien has been noted on the certificate of
20 title.

21 (4) A transaction does not create a sale or a security
22 interest in a vehicle, other than an all-terrain vehicle or a
23 minibike, merely because it provides that the rental price is
24 permitted or required to be adjusted under the agreement either
25 upward or downward by reference to the amount realized upon sale or
26 other disposition of the vehicle.

27 (5) The county clerk or designated county official or the
28 department, upon receipt of a lien instrument duly signed by the

1 owner in the manner prescribed by law governing such lien
2 instruments together with the fee prescribed for notation of lien,
3 shall notify the first lienholder to deliver to the county clerk or
4 designated county official or the department, within fifteen days
5 from the date of notice, the certificate of title to permit
6 notation of such junior lien and, after such notation of lien, the
7 county clerk or designated county official or the department shall
8 deliver the certificate of title to the first lienholder. The
9 holder of a certificate of title who refuses to deliver a
10 certificate of title to the county clerk or designated county
11 official or the department for the purpose of showing a junior lien
12 on such certificate of title within fifteen days from the date when
13 notified to do so shall be liable for damages to such junior
14 lienholder for the amount of damages such junior lienholder
15 suffered by reason of the holder of the certificate of title
16 refusing to permit the showing of such lien on the certificate of
17 title.

18 (6) When such lien is discharged, the holder shall,
19 within fifteen days after payment is received, note a cancellation
20 of the lien on the certificate of title over his, her, or its
21 signature and deliver the certificate of title to the county clerk
22 or designated county official or the department, which shall note
23 the cancellation of the lien on the face of the certificate of
24 title and on the records of such office. If delivered to a county
25 clerk or designated county official, he or she shall on that day
26 notify the department which shall note the cancellation on its
27 records. The county clerk or designated county official or the
28 department shall then return the certificate of title to the owner

1 or as otherwise directed by the owner. The cancellation of lien
2 shall be noted on the certificate of title without charge. If the
3 holder of the title cannot locate a lienholder, a lien may be
4 discharged ten years after the date of filing by presenting proof
5 that thirty days have passed since the mailing of a written notice
6 by certified mail, return receipt requested, to the last-known
7 address of the lienholder.

8 Sec. 65. (1) Any security interest in an all-terrain
9 vehicle or minibike perfected pursuant to article 9, Uniform
10 Commercial Code, before, on, or after January 1, 2004, shall
11 continue to be perfected until (a) the financing statement
12 perfecting such security interest is terminated or lapses in the
13 absence of the filing of a continuation statement pursuant to
14 article 9, Uniform Commercial Code, or (b) an all-terrain vehicle
15 or minibike certificate of title is issued and a notation of lien
16 is made.

17 (2) Any lien noted on the face of an all-terrain vehicle
18 or minibike certificate of title pursuant to subsection (1), (3),
19 or (4) of this section, on behalf of the holder of a security
20 interest in the all-terrain vehicle or minibike which was
21 previously perfected pursuant to article 9, Uniform Commercial
22 Code, shall have priority as of the date such security interest was
23 originally perfected.

24 (3) The holder of a certificate of title for an
25 all-terrain vehicle or minibike shall, upon request, surrender the
26 certificate of title to a holder of a previously perfected security
27 interest in the all-terrain vehicle or minibike to permit notation
28 of a lien on the certificate of title and shall do such other acts

1 as may be required to permit such notation.

2 (4) If the owner of an all-terrain vehicle or minibike
3 subject to a security interest perfected pursuant to article 9,
4 Uniform Commercial Code, fails or refuses to obtain a certificate
5 of title after January 1, 2004, the security interest holder may
6 obtain a certificate of title in the name of the owner of the
7 all-terrain vehicle or minibike following the procedures of section
8 36 of this act and may have a lien noted on the certificate of
9 title pursuant to section 64 of this act.

10 (5) The assignment, release, or satisfaction of a
11 security interest in an all-terrain vehicle or minibike shall be
12 governed by the laws under which it was perfected.

13 Sec. 66. (1) In the event of (a) the transfer of
14 ownership of a vehicle by operation of law as upon inheritance,
15 devise, or bequest, order in bankruptcy, insolvency, replevin, or
16 execution sale or as provided in sections 30-24,125, 52-601.01 to
17 52-605, 60-1901 to 60-1911, and 60-2401 to 60-2411, (b) the engine
18 of a vehicle being replaced by another engine, (c) a vehicle being
19 sold to satisfy storage or repair charges, or (d) repossession
20 being had upon default in performance of the terms of a chattel
21 mortgage, trust receipt, conditional sales contract, or other like
22 agreement, the county clerk or designated county official of the
23 county in which the last certificate of title to such vehicle was
24 issued or the department if the last certificate of title was
25 issued by the department, upon the surrender of the prior
26 certificate of title or the manufacturer's or importer's
27 certificate, or when that is not possible, upon presentation of
28 satisfactory proof of ownership and right of possession to such

1 vehicle, and upon payment of the appropriate fee and the
2 presentation of an application for certificate of title, may issue
3 to the applicant a certificate of title thereto. If the prior
4 certificate of title issued for such vehicle provided for joint
5 ownership with right of survivorship, a new certificate of title
6 shall be issued to a subsequent purchaser upon the assignment of
7 the prior certificate of title by the surviving owner and
8 presentation of satisfactory proof of death of the deceased owner.
9 Only an affidavit by the person or agent of the person to whom
10 possession of such vehicle has so passed, setting forth facts
11 entitling him or her to such possession and ownership, together
12 with a copy of the journal entry, court order, or instrument upon
13 which such claim of possession and ownership is founded, shall be
14 considered satisfactory proof of ownership and right of possession,
15 except that if the applicant cannot produce such proof of
16 ownership, he or she may submit to the department such evidence as
17 he or she may have, and the department may thereupon, if it finds
18 the evidence sufficient, issue the certificate of title or
19 authorize the county clerk or designated county official to issue a
20 certificate of title, as the case may be. If the county in which
21 the last certificate of title to such vehicle was issued cannot be
22 determined, the application for title shall be processed by the
23 county clerk or designated county official of the county where the
24 court entering the journal entry or order is located or the county
25 where the instrument was executed upon which such claim of
26 possession and ownership is founded, as the case may be.

27 (2) If from the records in the office of the county clerk
28 or designated county official or the department there appear to be

1 any liens on such vehicle, such certificate of title shall contain
2 a statement of such liens unless the application is accompanied by
3 proper evidence of their satisfaction or extinction.

4 Sec. 67. (1) The department shall issue a bonded
5 certificate of title to an applicant who:

6 (a) Presents evidence reasonably sufficient to satisfy
7 the department of the applicant's ownership of the vehicle or
8 security interest in the vehicle;

9 (b) Provides a statement that an identification
10 inspection has been conducted pursuant to section 41 of this act;

11 (c) Pays the fee as prescribed in section 60 of this act;
12 and

13 (d) Files a bond in a form prescribed by the department
14 and executed by the applicant.

15 (2) The bond shall be issued by a surety company
16 authorized to transact business in this state, in an amount equal
17 to one and one-half times the value of the vehicle as determined by
18 the department using reasonable appraisal methods, and conditioned
19 to indemnify any prior owner and secured party, any subsequent
20 purchaser and secured party, and any successor of the purchaser and
21 secured party for any expense, loss, or damage, including
22 reasonable attorney's fees, incurred by reason of the issuance of
23 the certificate of title to the vehicle or any defect in or
24 undisclosed security interest upon the right, title, and interest
25 of the applicant in and to the vehicle. An interested person may
26 have a cause of action to recover on the bond for a breach of the
27 conditions of the bond. The aggregate liability of the surety to
28 all persons having a claim shall not exceed the amount of the bond.

1 (3) At the end of three years after the issuance of the
2 bond, the holder of the certificate of title may apply to the
3 department on a form prescribed by the department for the release
4 of the bond and the removal of the notice required by subsection
5 (4) of this section if no claim has been made on the bond. The
6 department may release the bond at the end of three years after the
7 issuance of the bond if all questions as to the ownership of the
8 vehicle have been answered to the satisfaction of the department
9 unless the department has been notified of the pendency of an
10 action to recover on the bond. If the currently valid certificate
11 of title is surrendered to the department, the department may
12 release the bond prior to the end of the three-year period.

13 (4) The department shall include the following statement
14 on a bonded certificate of title issued pursuant to this section
15 and any subsequent title issued as a result of a title transfer
16 while the bond is in effect:

17 NOTICE: THIS VEHICLE MAY BE SUBJECT TO AN UNDISCLOSED
18 INTEREST, BOND NUMBER

19 (5) The department shall recall a bonded certificate of
20 title if the department finds that the application for the title
21 contained a false statement or if a check presented by the
22 applicant for a bonded certificate of title is returned uncollected
23 by a financial institution.

24 Sec. 68. (1) In the event of a lost or destroyed
25 certificate of title, the owner of the vehicle or the holder of a
26 lien on the vehicle shall apply, upon a form prescribed by the
27 department, to the department, if the certificate of title was
28 issued by the department, or to any county clerk or designated

1 county official for a duplicate certificate of title and shall pay
2 the fee prescribed by section 56 of this act. The application
3 shall be signed and sworn to by the person making the application
4 or a person authorized to sign under section 51 of this act.
5 Thereupon the county clerk or designated county official, with the
6 approval of the department, or the department shall issue a
7 duplicate certificate of title to the person entitled to receive
8 the certificate of title. If the records of the title have been
9 destroyed pursuant to section 52 of this act, the county clerk or
10 designated county official shall issue a duplicate certificate of
11 title to the person entitled to receive the same upon such showing
12 as the county clerk or designated county official may deem
13 sufficient. If the applicant cannot produce such proof of
14 ownership, he or she may apply directly to the department and
15 submit such evidence as he or she may have, and the department may,
16 if it finds the evidence sufficient, authorize the county clerk or
17 designated county official to issue a duplicate certificate of
18 title. A duplicate certificate of title so issued shall show only
19 those unreleased liens of record. The new purchaser shall be
20 entitled to receive an original certificate of title upon
21 presentation of the assigned duplicate copy of the certificate of
22 title, properly assigned to the new purchaser, to the county clerk
23 or designated county official prescribed in section 44 of this act.

24 (2) Any purchaser of a vehicle for which a certificate of
25 title was lost or destroyed may at the time of purchase require the
26 seller of the same to indemnify him or her and all subsequent
27 purchasers of the vehicle against any loss which he, she, or they
28 may suffer by reason of any claim presented upon the original

1 certificate. In the event of the recovery of the original
2 certificate of title by the owner, he or she shall forthwith
3 surrender the same to the county clerk or designated county
4 official or the department for cancellation.

5 Sec. 69. (1) Each owner of a vehicle and each person
6 mentioned as owner in the last certificate of title, when the
7 vehicle is dismantled, destroyed, or changed in such a manner that
8 it loses its character as a vehicle or changed in such a manner
9 that it is not the vehicle described in the certificate of title,
10 shall surrender his or her certificate of title to the county clerk
11 or designated county official of the county where such certificate
12 of title was issued or, if issued by the department, to the
13 department. If the certificate of title is surrendered to the
14 county clerk or designated county official, he or she shall, with
15 the consent of any holders of any liens noted thereon, enter a
16 cancellation upon his or her records and shall notify the
17 department of such cancellation. If the certificate is surrendered
18 to the department, it shall, with the consent of any holder of any
19 lien noted thereon, enter a cancellation upon its records.

20 (2) Upon cancellation of a certificate of title in the
21 manner prescribed by this section, the county clerk or designated
22 county official and the department may cancel and destroy all
23 certificates and all memorandum certificates in that chain of
24 title.

25 Sec. 70. (1) When an insurance company authorized to do
26 business in Nebraska acquires a vehicle which has been properly
27 titled and registered in a state other than Nebraska through
28 payment of a total loss settlement on account of theft and the

1 vehicle has not become unusable for transportation through damage
2 and has not sustained any malfunction beyond reasonable maintenance
3 and repair, the company shall obtain the certificate of title from
4 the owner and may make application for a nontransferable
5 certificate of title by surrendering the certificate of title to
6 the county clerk or designated county official. A nontransferable
7 certificate of title shall be issued in the same manner and for the
8 same fee or fees as provided for a certificate of title in sections
9 54 to 60 of this act and shall be on a form prescribed by the
10 department.

11 (2) A vehicle which has a nontransferable certificate of
12 title shall not be sold or otherwise transferred or disposed of
13 without first obtaining a certificate of title under the Motor
14 Vehicle Certificate of Title Act.

15 (3) When a nontransferable certificate of title is
16 surrendered for a certificate of title, the application shall be
17 accompanied by a statement from the insurance company stating that
18 to the best of its knowledge the vehicle has not become unusable
19 for transportation through damage and has not sustained any
20 malfunction beyond reasonable maintenance and repair. The
21 statement shall not constitute or imply a warranty of condition to
22 any subsequent purchaser or operator of the vehicle.

23 Sec. 71. For purposes of sections 71 to 77 of this act:

24 (1) Cost of repairs means the estimated or actual retail
25 cost of parts needed to repair a vehicle plus the cost of labor
26 computed by using the hourly labor rate and time allocations for
27 repair that are customary and reasonable. Retail cost of parts and
28 labor rates may be based upon collision estimating manuals or

1 electronic computer estimating systems customarily used in the
2 insurance industry;

3 (2) Late model vehicle means a vehicle which has (a) a
4 manufacturer's model year designation of, or later than, the year
5 in which the vehicle was wrecked, damaged, or destroyed, or any of
6 the six preceding years or (b) (i) in the case of vehicles other
7 than all-terrain vehicles and minibikes, a retail value of more
8 than ten thousand five hundred dollars until January 1, 2010, and a
9 retail value of more than ten thousand five hundred dollars
10 increased by five hundred dollars every five years thereafter or
11 (ii) in the case of all-terrain vehicles or minibikes, a retail
12 value of more than one thousand seven hundred fifty dollars until
13 January 1, 2010, and a retail value of more than one thousand seven
14 hundred fifty dollars increased by two hundred fifty dollars every
15 five years thereafter;

16 (3) Manufacturer buyback means the designation of a
17 vehicle with an alleged nonconformity when the vehicle (a) has been
18 replaced by a manufacturer or (b) has been repurchased by a
19 manufacturer as the result of court judgment, arbitration, or any
20 voluntary agreement entered into between the manufacturer or its
21 agent and a consumer;

22 (4) Previously salvaged means the designation of a
23 rebuilt or reconstructed vehicle which was previously required to
24 be issued a salvage branded certificate of title and which has been
25 inspected as provided in section 46 of this act;

26 (5) Retail value means the actual cash value, fair market
27 value, or retail value of a vehicle as (a) set forth in a current
28 edition of any nationally recognized compilation, including

1 automated data bases, of retail values or (b) determined pursuant
2 to a market survey of comparable vehicles with respect to condition
3 and equipment; and

4 (6) Salvage means the designation of a vehicle which is:

5 (a) A late model vehicle which has been wrecked, damaged,
6 or destroyed to the extent that the estimated total cost of repair
7 to rebuild or reconstruct the vehicle to its condition immediately
8 before it was wrecked, damaged, or destroyed and to restore the
9 vehicle to a condition for legal operation, meets or exceeds
10 seventy-five percent of the retail value of the vehicle at the time
11 it was wrecked, damaged, or destroyed; or

12 (b) Voluntarily designated by the owner of the vehicle as
13 a salvage vehicle by obtaining a salvage branded certificate of
14 title, without respect to the damage to, age of, or value of the
15 vehicle.

16 Sec. 72. A certificate of title shall disclose in
17 writing, from any records readily accessible to the department or
18 county officials or a law enforcement officer, anything which
19 indicates that the vehicle was previously issued a title in another
20 jurisdiction that bore any word or symbol signifying that the
21 vehicle was damaged, including, but not limited to, older model
22 salvage, unbuildable, parts only, scrap, junk, nonrepairable,
23 reconstructed, rebuilt, flood damaged, damaged, buyback, or any
24 other indication, symbol, or word of like kind, and the name of the
25 jurisdiction issuing the previous title.

26 Sec. 73. When an insurance company acquires a salvage
27 vehicle through payment of a total loss settlement on account of
28 damage, the company shall obtain the certificate of title from the

1 owner, surrender such certificate of title to the county clerk or
2 designated county official, and make application for a salvage
3 branded certificate of title which shall be assigned when the
4 company transfers ownership. An insurer shall take title to a
5 salvage vehicle for which a total loss settlement is made unless
6 the owner of the salvage vehicle elects to retain the salvage
7 vehicle. If the owner elects to retain the salvage vehicle, the
8 insurance company shall notify the department of such fact in a
9 format prescribed by the department. The department shall
10 immediately enter the salvage brand onto the computerized record of
11 the vehicle. The insurance company shall also notify the owner of
12 the owner's responsibility to comply with this section. The owner
13 shall, within thirty days after the settlement of the loss, ten
14 days after settlement of the loss in the case of a salvage
15 all-terrain vehicle or minibike, forward the properly endorsed
16 acceptable certificate of title to the county clerk or designated
17 county official in the county designated in section 44 of this act.
18 The county clerk or designated county official shall, upon receipt
19 of the certificate of title, issue a salvage branded certificate of
20 title for the vehicle.

21 Sec. 74. Whenever a title is issued in this state for a
22 vehicle that is designated a salvage, previously salvaged, or
23 manufacturer buyback, the following title brands shall be required:
24 Salvage, previously salvaged, or manufacturer buyback. A
25 certificate branded salvage, previously salvaged, or manufacturer
26 buyback shall be administered in the same manner and for the same
27 fee or fees as provided for a certificate of title in sections 54
28 to 60 of this act. When a salvage branded certificate of title is

1 surrendered for a certificate of title branded previously salvaged,
2 the application for a certificate of title shall be accompanied by
3 a statement of inspection as provided in section 46 of this act.

4 Sec. 75. Any person who acquires ownership of a salvage
5 or manufacturer buyback vehicle for which he or she does not obtain
6 a salvage branded or manufacturer buyback branded certificate of
7 title shall surrender the certificate of title to the county clerk
8 or designated county official and make application for a salvage
9 branded or manufacturer buyback branded certificate of title within
10 thirty days after acquisition or prior to the sale or resale of the
11 vehicle or any major component part of such vehicle or use of any
12 major component part of the vehicle, whichever occurs earlier.

13 Sec. 76. Any person who knowingly transfers a wrecked,
14 damaged, or destroyed vehicle in violation of sections 71 to 77 of
15 this act is guilty of a Class IV felony.

16 Sec. 77. Nothing in sections 71 to 77 of this act shall
17 be construed to require the actual repair of a wrecked, damaged, or
18 destroyed vehicle to be designated as salvage.

19 Sec. 78. Every sheriff, chief of police, or member of
20 the patrol having knowledge of a stolen vehicle shall immediately
21 furnish the department with full information in connection
22 therewith. The department, whenever it receives a report of the
23 theft or conversion of such a vehicle, whether owned in this or any
24 other state, together with the make and manufacturer's serial
25 number or motor number, if applicable, shall make a distinctive
26 record thereof and file the same in the numerical order of the
27 manufacturer's serial number with the index records of such vehicle
28 of such make. The department shall prepare a report listing such

1 vehicles stolen and recovered as disclosed by the reports submitted
2 to it, and the report shall be distributed as it may deem
3 advisable. In the event of the receipt from any county clerk or
4 designated county official of a copy of a certificate of title to
5 such vehicle, the department shall immediately notify the rightful
6 owner thereof and the county clerk or designated county official
7 who issued such certificate of title, and if upon investigation it
8 appears that such certificate of title was improperly issued, the
9 department shall immediately cancel the same. In the event of the
10 recovery of such stolen or converted vehicle, the owner shall
11 immediately notify the department, which shall cause the record of
12 the theft or conversion to be removed from its file.

13 Sec. 79. A person commits a Class IV felony if he or she
14 (1) forges any certificate of title or manufacturer's or importer's
15 certificate to a vehicle, any assignment of either certificate, or
16 any cancellation of any lien on a vehicle, (2) holds or uses such
17 certificate, assignment, or cancellation knowing the same to have
18 been forged, (3) procures or attempts to procure a certificate of
19 title to a vehicle or passes or attempts to pass a certificate of
20 title or any assignment thereof to a vehicle, knowing or having
21 reason to believe that such vehicle has been stolen, (4) sells or
22 offers for sale in this state a vehicle on which the motor number
23 or manufacturer's serial number has been destroyed, removed,
24 covered, altered, or defaced with knowledge of the destruction,
25 removal, covering, alteration, or defacement of such motor number
26 or manufacturer's serial number, (5) knowingly uses a false or
27 fictitious name, knowingly gives a false or fictitious address,
28 knowingly makes any false statement in any application or affidavit

1 required under the Motor Vehicle Certificate of Title Act or in a
2 bill of sale or sworn statement of ownership, or (6) otherwise
3 knowingly commits a fraud in any application for a certificate of
4 title.

5 Sec. 80. (1) A person who operates in this state a
6 vehicle for which a certificate of title is required without having
7 such certificate in accordance with the Motor Vehicle Certificate
8 of Title Act or upon which the certificate of title has been
9 canceled is guilty of a Class III misdemeanor.

10 (2) A person who is a dealer or acting on behalf of a
11 dealer and who acquires, purchases, holds, or displays for sale a
12 new vehicle without having obtained a manufacturer's or importer's
13 certificate or a certificate of title therefor as provided for in
14 the Motor Vehicle Certificate of Title Act is guilty of a Class III
15 misdemeanor.

16 (3) A person who fails to surrender any certificate of
17 title or any certificate of registration or license plates or tags
18 upon cancellation of the same by the department and notice thereof
19 as prescribed in the Motor Vehicle Certificate of Title Act is
20 guilty of a Class III misdemeanor.

21 (4) A person who fails to surrender the certificate of
22 title to the county clerk or designated county official as provided
23 in section 69 of this act in case of the destruction or dismantling
24 or change of a vehicle in such respect that it is not the vehicle
25 described in the certificate of title is guilty of a Class III
26 misdemeanor.

27 (5) A person who purports to sell or transfer a vehicle
28 without delivering to the purchaser or transferee thereof a

1 certificate of title or a manufacturer's or importer's certificate
2 thereto duly assigned to such purchaser as provided in the Motor
3 Vehicle Certificate of Title Act is guilty of a Class III
4 misdemeanor.

5 (6) A person who knowingly alters or defaces a
6 certificate of title is guilty of a Class III misdemeanor.

7 (7) Except as otherwise provided in section 79 of this
8 act, a person who violates any of the other provisions of the Motor
9 Vehicle Certificate of Title Act or any rules or regulations
10 adopted and promulgated pursuant to the act is guilty of a Class
11 III misdemeanor.

12 Sec. 81. The Nebraska State Patrol Cash Fund shall be
13 used to defray the expenses of training personnel in title document
14 examination, vehicle identification, and fraud and theft
15 investigation and to defray the patrol's expenses arising pursuant
16 to sections 81 to 89 of this act, including those incurred for
17 printing and distribution of forms, personal services, hearings,
18 and similar administrative functions. Personnel may include, but
19 shall not be limited to, county clerks, designated county
20 officials, investigative personnel of the Nebraska Motor Vehicle
21 Industry Licensing Board, and peace officers as defined in section
22 60-646. The training program shall be administered by the patrol.
23 The patrol may utilize the Nebraska Law Enforcement Training Center
24 to accomplish the training requirements of sections 81 to 89 of
25 this act. The superintendent may make expenditures from the fund
26 necessary to implement such training.

27 Sec. 82. The sheriff shall designate a sufficient number
28 of persons to become certified to assure completion of inspections

1 with reasonable promptness.

2 Sec. 83. No person shall conduct an inspection unless he
3 or she is the holder of a current certificate of training issued by
4 the patrol. The certificate of training shall be issued upon
5 completion of a course of instruction, approved by the patrol, in
6 the identification of stolen and altered vehicles. The
7 superintendent may require an individual to take such additional
8 training as he or she deems necessary in order to maintain a
9 current certificate of training.

10 Sec. 84. The sheriff may designate an employee of his or
11 her office, any individual who is a peace officer as defined in
12 section 60-646, or, by agreement, a county clerk or designated
13 county official to assist in accomplishing inspections. Upon
14 designation, the person shall request approval for training from
15 the superintendent. Any person requesting approval for training
16 shall submit a written application to the patrol. Such
17 application shall include the following information: (1) The name
18 and address of the applicant; (2) the name and address of the
19 agency employing the applicant and the name of the agency head; and
20 (3) such biographical information as the superintendent may require
21 to facilitate the designation authorized by this section.

22 Sec. 85. (1) Upon receipt of an application for training
23 pursuant to section 84 of this act, the patrol may inquire into the
24 qualifications of the applicant and may also inquire into the
25 background of the applicant.

26 (2) The patrol shall not approve any applicant who has
27 (a) knowingly purchased, sold, or done business in stolen vehicles
28 or parts therefor, (b) been found guilty of any felony which has

1 not been pardoned, been found guilty of any misdemeanor concerning
2 fraud or conversion, or suffered any judgment in any civil action
3 involving fraud, misrepresentation, or conversion, or (c) made a
4 false material statement in his or her application.

5 Sec. 86. The patrol may, after notice and a hearing,
6 revoke a certificate of training. The patrol shall only be
7 required to hold a hearing if the hearing is requested in writing
8 within fifteen days after notice of the proposed revocation is
9 delivered by the patrol. The patrol may revoke a certificate of
10 training for any reason for which an applicant may be denied
11 approval for training pursuant to section 85 of this act. The
12 patrol may revoke a certificate of training if the holder fails to
13 keep a certificate current by taking any additional training the
14 patrol may require. The patrol may revoke a certificate of
15 training if the patrol finds that the holder is incompetent. A
16 rebuttable presumption of incompetence shall arise from a finding
17 by the patrol or a court of competent jurisdiction that the holder
18 of a certificate of training has issued a statement of inspection
19 for a stolen vehicle. Any person who feels himself or herself
20 aggrieved by the patrol's decision to revoke a certificate may
21 appeal such decision, and the appeal shall be in accordance with
22 the Administrative Procedure Act.

23 Sec. 87. No individual, other than a peace officer,
24 shall attend training for inspections funded under the Nebraska
25 State Patrol Cash Fund unless such individual has been designated
26 by a sheriff and approved by the patrol.

27 Sec. 88. A holder of a certificate of training who is an
28 employee of a licensee as determined by the department shall not

1 inspect any vehicle which is not owned by his or her sponsoring
2 licensee. A holder of a certificate of training who is a licensee
3 shall not inspect any vehicle which he or she does not own.

4 Sec. 89. The superintendent shall, from time to time,
5 provide each county clerk or designated county official and each
6 sheriff with a list of persons holding then current certificates of
7 training.

8 Sec. 90. It shall be unlawful for any person to:

9 (1) Knowingly tamper with, adjust, alter, change,
10 disconnect, or fail to connect an odometer of a motor vehicle, or
11 cause any of the foregoing to occur, to reflect a mileage different
12 than has actually been driven by such motor vehicle except as
13 provided in section 91 of this act;

14 (2) With intent to defraud, operate a motor vehicle on
15 any street or highway knowing that the odometer is disconnected or
16 nonfunctional; or

17 (3) Advertise for sale, sell, use, or install on any part
18 of a motor vehicle or on any odometer in a motor vehicle any device
19 which causes the odometer to register any mileage other than that
20 actually driven.

21 Sections 90 to 96 of this act shall not apply to
22 gross-rated motor vehicles of more than sixteen thousand pounds.

23 Sec. 91. If any odometer is repaired or replaced, the
24 reading of the repaired or replaced odometer shall be set at the
25 reading of the odometer repaired or replaced immediately prior to
26 repair or replacement and the adjustment shall not be deemed a
27 violation of section 90 of this act, except that when the repaired
28 or replaced odometer is incapable of registering the same mileage

1 as before such repair or replacement, the repaired or replaced
2 odometer shall be adjusted to read zero and a notice in writing on
3 a form prescribed by the department shall be attached to the left
4 door frame of the vehicle, or in the case of a motorcycle,
5 minibike, or all-terrain vehicle, to the frame of the motorcycle,
6 minibike, or all-terrain vehicle by the owner or his or her agent
7 specifying the mileage prior to repair or replacement of the
8 odometer and the date on which it was repaired or replaced and any
9 removal or alteration of such notice so affixed shall be deemed a
10 violation of section 90 of this act.

11 Sec. 92. The transferor of any motor vehicle of an age
12 of less than ten years, which was equipped with an odometer by the
13 manufacturer, shall provide to the transferee a statement, signed
14 by the transferor, setting forth: (1) The mileage on the odometer
15 at the time of transfer; and (2) (a) a statement that, to the
16 transferor's best knowledge, such mileage is that actually driven
17 by the motor vehicle, (b) a statement that the transferor has
18 knowledge that the mileage shown on the odometer is in excess of
19 the designated mechanical odometer limit, or (c) a statement that
20 the odometer reading does not reflect the actual mileage and should
21 not be relied upon because the transferor has knowledge that the
22 odometer reading differs from the actual mileage and that the
23 difference is greater than that caused by odometer calibration
24 error. If a discrepancy exists between the odometer reading and
25 the actual mileage, a warning notice to alert the transferee shall
26 be included with the statement. The transferor shall retain a true
27 copy of such statement for a period of five years from the date of
28 the transaction.

1 Sec. 93. The statement required by section 92 of this
2 act shall be on a form prescribed by the department or shall appear
3 on the certificate of title. Such statement shall be submitted with
4 the application for certificate of title, and the new certificate
5 of title in the name of the transferee shall have recorded thereon
6 the mileage shown by such statement and a notation that the
7 recorded mileage is actual, not actual, or in excess of the
8 mechanical odometer limit, whichever is applicable. No certificate
9 of title shall be issued unless the application is accompanied by
10 such statement or unless the information required by such statement
11 appears on the certificate of title being submitted with the
12 application.

13 Sec. 94. No licensed motor vehicle dealer shall have in
14 his or her possession as inventory for sale any used motor vehicle
15 of an age of less than twenty-five years for which the dealer does
16 not have in his or her possession the transferor's statement
17 required by section 88 of this act unless a certificate of title
18 has been issued for such motor vehicle in the name of the dealer.
19 Violation of sections 90 to 96 of this act shall be grounds for
20 suspension or revocation of a motor vehicle dealer's license under
21 the provisions of Chapter 60, article 14.

22 Sec. 95. A licensed motor vehicle dealer reassigning a
23 certificate of title shall not be guilty of a violation of sections
24 90 to 96 of this act if such dealer has in his or her possession
25 the transferor's statement and if he or she has no knowledge that
26 the statement is false and that the odometer does not reflect the
27 mileage actually driven by the vehicle.

28 Sec. 96. Any transferor who does not retain a true copy

1 of the odometer statement for a period of five years from the date
2 of the transaction as required by section 92 of this act shall be
3 guilty of a Class V misdemeanor. Any person who violates any other
4 provision of sections 90 to 96 of this act shall be guilty of a
5 Class IV felony.

6 Sec. 97. (1) The repeal of Chapter 60, article 1, as it
7 existed on the effective date of this act and the enactment of the
8 Motor Vehicle Certificate of Title Act is not intended to affect
9 the validity of manufacturer's or importer's certificates,
10 certificates of title of any kind, or security interests or liens
11 in existence on such date. All such certificates and notations are
12 valid under the Motor Vehicle Certificate of Title Act as if issued
13 or made under such act.

14 (2) The repeal of Chapter 60, article 1, as it existed on
15 the effective date of this act and the enactment of the Motor
16 Vehicle Certificate of Title Act is not intended to affect the
17 validity of certificates of training for inspections in existence
18 on such date. All such certificates are valid under the Motor
19 Vehicle Certificate of Title Act as if issued under such act.

20 (3) The rules, regulations, and orders of the Director of
21 Motor Vehicles and the Department of Motor Vehicles issued under
22 Chapter 60, article 1, shall remain in effect as if issued under
23 the Motor Vehicle Certificate of Title Act unless changed or
24 eliminated by the director or the department to the extent such
25 power is statutorily granted to the director and department.

26 Sec. 98. Section 13-910, Revised Statutes Supplement,
27 2004, is amended to read:

28 13-910. The Political Subdivisions Tort Claims Act and

1 sections 16-727, 16-728, 23-175, 39-809, and 79-610 shall not apply
2 to:

3 (1) Any claim based upon an act or omission of an
4 employee of a political subdivision, exercising due care, in the
5 execution of a statute, ordinance, or officially adopted
6 resolution, rule, or regulation, whether or not such statute,
7 ordinance, resolution, rule, or regulation is valid;

8 (2) Any claim based upon the exercise or performance of
9 or the failure to exercise or perform a discretionary function or
10 duty on the part of the political subdivision or an employee of the
11 political subdivision, whether or not the discretion is abused;

12 (3) Any claim based upon the failure to make an
13 inspection or making an inadequate or negligent inspection of any
14 property other than property owned by or leased to such political
15 subdivision to determine whether the property complies with or
16 violates any statute, ordinance, rule, or regulation or contains a
17 hazard to public health or safety unless the political subdivision
18 had reasonable notice of such hazard or the failure to inspect or
19 inadequate or negligent inspection constitutes a reckless disregard
20 for public health or safety;

21 (4) Any claim based upon the issuance, denial,
22 suspension, or revocation of or failure or refusal to issue, deny,
23 suspend, or revoke any permit, license, certificate, or order.
24 Nothing in this subdivision shall be construed to limit a political
25 subdivision's liability for any claim based upon the negligent
26 execution by an employee of the political subdivision in the
27 issuance of a certificate of title under ~~sections 37-1278 to~~
28 ~~37-1279, 37-1282, 37-1283, 37-1291 to 37-1298, 60-110 to 60-112,~~

1 ~~and 60-129 to 60-131~~ the Motor Vehicle Certificate of Title Act and
2 the State Boat Act;

3 (5) Any claim arising with respect to the assessment or
4 collection of any tax or fee or the detention of any goods or
5 merchandise by any law enforcement officer;

6 (6) Any claim caused by the imposition or establishment
7 of a quarantine by the state or a political subdivision, whether
8 such quarantine relates to persons or property;

9 (7) Any claim arising out of assault, battery, false
10 arrest, false imprisonment, malicious prosecution, abuse of
11 process, libel, slander, misrepresentation, deceit, or interference
12 with contract rights;

13 (8) Any claim by an employee of the political subdivision
14 which is covered by the Nebraska Workers' Compensation Act;

15 (9) Any claim arising out of the malfunction,
16 destruction, or unauthorized removal of any traffic or road sign,
17 signal, or warning device unless it is not corrected by the
18 political subdivision responsible within a reasonable time after
19 actual or constructive notice of such malfunction, destruction, or
20 removal. Nothing in this subdivision shall give rise to liability
21 arising from an act or omission of any political subdivision in
22 placing or removing any traffic or road signs, signals, or warning
23 devices when such placement or removal is the result of a
24 discretionary act of the political subdivision;

25 (10) Any claim arising out of snow or ice conditions or
26 other temporary conditions caused by nature on any highway as
27 defined in section 60-624, bridge, public thoroughfare, or other
28 public place due to weather conditions. Nothing in this

1 subdivision shall be construed to limit a political subdivision's
2 liability for any claim arising out of the operation of a motor
3 vehicle by an employee of the political subdivision while acting
4 within the course and scope of his or her employment by the
5 political subdivision;

6 (11) Any claim arising out of the plan or design for the
7 construction of or an improvement to any highway as defined in such
8 section or bridge, either in original construction or any
9 improvement thereto, if the plan or design is approved in advance
10 of the construction or improvement by the governing body of the
11 political subdivision or some other body or employee exercising
12 discretionary authority to give such approval; or

13 (12) Any claim arising out of the alleged insufficiency
14 or want of repair of any highway as defined in such section,
15 bridge, or other public thoroughfare. Insufficiency or want of
16 repair shall be construed to refer to the general or overall
17 condition and shall not refer to a spot or localized defect. A
18 political subdivision shall be deemed to waive its immunity for a
19 claim due to a spot or localized defect only if the political
20 subdivision has had actual or constructive notice of the defect
21 within a reasonable time to allow repair prior to the incident
22 giving rise to the claim.

23 Sec. 99. Section 23-186, Revised Statutes Supplement,
24 2004, is amended to read:

25 23-186. A county board may consolidate under the office
26 of a designated county official the services provided to the public
27 by the county assessor, the county clerk, and the county treasurer
28 relating to the issuance of certificates of title, registration

1 certificates, certificates of number, license plates, and renewal
 2 decals, notation and cancellation of liens, and collection of taxes
 3 and fees for motor vehicles, all-terrain vehicles, minibikes,
 4 trailers, and motorboats as provided in the Motor Vehicle
 5 Certificate of Title Act, the State Boat Act, and sections 18-1738,
 6 18-1738.01, ~~60-106, 60-107, 60-108, 60-110, 60-111, 60-112, 60-113,~~
 7 ~~60-115, 60-119, 60-122, 60-139 to 60-169,~~ 60-301 to 60-347,
 8 60-6,322, 60-1803, 60-3002, and 60-3007. In a county in which a
 9 city of the metropolitan class is located, the county board may
 10 designate the county treasurer to provide the services. In any
 11 other county, the county board may designate the county assessor,
 12 the county clerk, or the county treasurer to provide the services.

13 Sec. 100. Section 42-371, Reissue Revised Statutes of
 14 Nebraska, is amended to read:

15 42-371. Under the Uniform Interstate Family Support Act
 16 and sections 42-347 to 42-381, 43-290, 43-512 to 43-512.10, and
 17 43-1401 to 43-1418:

18 (1) All judgments and orders for payment of money shall
 19 be liens, as in other actions, upon real property and any personal
 20 property registered with any county office and may be enforced or
 21 collected by execution and the means authorized for collection of
 22 money judgments. The judgment creditor may execute (a) a partial
 23 or total release of the judgment or (b) a document subordinating
 24 the lien of the judgment to any other lien, generally or on
 25 specific real or personal property. Release of a judgment for
 26 child support or spousal support or subordination of a lien of a
 27 judgment for child support or spousal support must be approved by
 28 the court which rendered the judgment unless all such payments are

1 current, in which case a release or subordination document executed
2 by the judgment creditor shall be sufficient to remove or
3 subordinate the lien. A properly executed, notarized release or
4 subordination document, explicitly reciting that all child support
5 payments or spousal support payments are current, shall be prima
6 facie evidence that such payments are in fact current. The
7 judgment debtor may file a motion in the court which rendered the
8 original judgment for an order releasing or subordinating the lien
9 as to specific real or personal property. The court shall grant
10 such order upon a showing by the judgment debtor that sufficient
11 real or personal property or property interests will remain subject
12 to the lien or will maintain priority over other liens sufficient
13 to cover all support due and which may become due;

14 (2) Full faith and credit shall be accorded to a lien
15 arising by operation of law against real and personal property for
16 amounts of overdue support owed by an obligor who resides or owns
17 property in this state when another state agency, party, or other
18 entity seeking to enforce such lien complies with the procedural
19 rules relating to the filing of the lien in this state. The state
20 agency, party, or other entity seeking to enforce such lien shall
21 send a certified copy of the support order with all modifications,
22 the notice of lien prescribed by 42 U.S.C. 652(a)(11) and 42 U.S.C.
23 654(9)(E), and the appropriate fee to the clerk of the district
24 court in the jurisdiction within this state in which the lien is
25 sought. Upon receiving the appropriate documents and fee, the
26 clerk of the district court shall accept the documents filed and
27 such acceptance shall constitute entry of the foreign support order
28 for purposes of this section only. Entry of a lien arising in

1 another state pursuant to this section shall result in such lien
2 being afforded the same treatment as liens arising in this state.
3 The filing process required by this section shall not be construed
4 as requiring an application, complaint, answer, and hearing as
5 might be required for the filing or registration of foreign
6 judgments under the Nebraska Uniform Enforcement of Foreign
7 Judgments Act or the Uniform Interstate Family Support Act;

8 (3) Child support and spousal support judgments shall
9 cease to be liens on real or registered personal property ten years
10 from the date (a) the youngest child becomes of age or dies or (b)
11 the most recent execution was issued to collect the judgment,
12 whichever is later, and such lien shall not be reinstated;

13 (4) Alimony and property settlement award judgments, if
14 not covered by subdivision (3) of this section, shall cease to be a
15 lien on real or registered personal property ten years from the
16 date (a) the judgment was entered, (b) the most recent payment was
17 made, or (c) the most recent execution was issued to collect the
18 judgment, whichever is latest, and such lien shall not be
19 reinstated;

20 (5) Whenever a judgment creditor refuses to execute a
21 release of the judgment or subordination of a lien as provided in
22 this section, the person desiring such release or subordination may
23 file an application for the relief desired. A copy of the
24 application and a notice of hearing shall be served on the judgment
25 creditor either personally or by registered or certified mail no
26 less than ten days before the date of hearing. If the court finds
27 that the release or subordination is not requested for the purpose
28 of avoiding payment and that the release or subordination will not

1 unduly reduce the security, the court may issue an order releasing
2 real or personal property from the judgment lien or issue an order
3 subordinating the judgment lien. As a condition for such release
4 or subordination, the court may require the posting of a bond with
5 the clerk in an amount fixed by the court, guaranteeing payment of
6 the judgment;

7 (6) The court may in any case, upon application or its
8 own motion, after notice and hearing, order a person required to
9 make payments to post sufficient security, bond, or other guarantee
10 with the clerk to insure payment of both current and any delinquent
11 amounts. Upon failure to comply with the order, the court may also
12 appoint a receiver to take charge of the debtor's property to
13 insure payment. Any bond, security, or other guarantee paid in
14 cash may, when the court deems it appropriate, be applied either to
15 current payments or to reduce any accumulated arrearage;

16 (7) (a) The lien of a mortgage or deed of trust which
17 secures a loan, the proceeds of which are used to purchase real
18 property, and (b) any lien given priority pursuant to a
19 subordination document under this section shall attach prior to any
20 lien authorized by this section. Any mortgage or deed of trust
21 which secures the refinancing, renewal, or extension of a real
22 property purchase money mortgage or deed of trust shall have the
23 same lien priority with respect to any lien authorized by this
24 section as the original real property purchase money mortgage or
25 deed of trust to the extent that the amount of the loan refinanced,
26 renewed, or extended does not exceed the amount used to pay the
27 principal and interest on the existing real property purchase money
28 mortgage or deed of trust, plus the costs of the refinancing,

1 renewal, or extension; and

2 (8) Any lien authorized by this section against personal
3 property registered with any county consisting of a motor vehicle
4 or mobile home shall attach upon notation of the lien against the
5 motor vehicle or mobile home certificate of title and shall have
6 its priority established pursuant to the terms of section ~~60-110~~ 59
7 of this act or a subordination document executed under this
8 section.

9 Sec. 101. Section 52-1801, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 52-1801. (1) Any security interest in a mobile home
12 perfected on or after July 15, 1992, and prior to April 8, 1993,
13 shall continue to be perfected:

14 (a) Until the financing statement perfecting such
15 security interest is terminated or would have lapsed in the absence
16 of the filing of a continuation statement pursuant to article 9,
17 Uniform Commercial Code; or

18 (b) Until a lien is noted on the face of the certificate
19 of title for the mobile home pursuant to section ~~60-110~~ 59 of this
20 act.

21 (2) Any lien noted on the face of a mobile home
22 certificate of title on or after April 8, 1993, pursuant to
23 subdivision (1)(b) of this section on behalf of the holder of a
24 security interest in the mobile home which was perfected on or
25 after July 15, 1992, and prior to April 8, 1993, shall have
26 priority as of the date such security interest was originally
27 perfected.

28 (3) The holder of a mobile home certificate of title

1 shall, upon request, surrender the mobile home certificate of title
2 to a holder of a security interest in the mobile home which was
3 perfected on or after July 15, 1992, and prior to April 8, 1993, to
4 permit notation of a lien on the mobile home certificate of title
5 and shall do such other acts as may be required to permit such
6 notation.

7 (4) If the owner of a mobile home subject to a security
8 interest perfected on or after July 15, 1992, and prior to April 8,
9 1993, fails or refuses to obtain a certificate of title after April
10 8, 1993, the security interest holder may obtain a certificate of
11 title in the name of the owner of the mobile home following the
12 procedures of ~~section 60-106~~ subsection (2) of section 42 of this
13 act and may have a lien noted on the certificate of title pursuant
14 to section ~~60-110~~ 59 of this act.

15 (5) The assignment, release, or satisfaction of a
16 security interest in a mobile home shall be governed under the laws
17 under which it was perfected.

18 (6) This section shall not affect the validity or
19 priority of a lien established against a mobile home by the
20 notation of such lien on the mobile home certificate of title prior
21 to July 15, 1992.

22 Sec. 102. Section 60-302, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 60-302. (1) No motor vehicle, trailer, semitrailer, or
25 cabin trailer, unless otherwise expressly provided, shall be
26 operated or parked on the highways of this state unless the vehicle
27 is registered in accordance with Chapter 60, article 3. There
28 shall be a rebuttable presumption that any vehicle stored and kept

1 more than thirty days in the state is being operated or parked on
2 the highways of this state and shall be registered in accordance
3 with Chapter 60, article 3, from the date of title of the motor
4 vehicle or, if no transfer in ownership of the motor vehicle has
5 occurred, from the expiration of the last registration period for
6 which the motor vehicle was registered. Every owner of a vehicle
7 required to be registered shall make application for registration
8 to the county treasurer of the county in which the vehicle has
9 situs as defined in section 60-3001. The application shall be a
10 copy of a certificate of title or, in the case of a renewal of a
11 registration, the application shall be the previous registration
12 period's certificate. A salvage branded certificate of title and a
13 nontransferable certificate of title provided for in section ~~60-131~~
14 70 of this act shall not be valid for registration purposes.

15 (2) An application for registration of a motor vehicle
16 shall be accompanied by proof of financial responsibility or
17 evidence of insurance covering the motor vehicle. Proof of
18 financial responsibility shall be evidenced by a copy of proof of
19 financial responsibility filed pursuant to subdivision (2), (3), or
20 (4) of section 60-528 bearing the seal of the Department of Motor
21 Vehicles. Evidence of insurance shall give the effective dates of
22 the automobile liability policy, which dates shall be evidence that
23 the coverage is in effect on and following the date of
24 registration, and shall designate, by explicit description or by
25 appropriate reference, all motor vehicles covered. Evidence of
26 insurance in the form of a certificate of insurance for fleet
27 vehicles may include, as an appropriate reference, a designation
28 that the insurance coverage is applicable to all vehicles owned by

1 the named insured, or wording of similar effect, in lieu of an
2 explicit description. Proof of financial responsibility also may
3 be evidenced by (a) a check by the department or its agents of the
4 motor vehicle insurance data base created under section 60-302.05
5 or (b) any other automated or electronic means as prescribed or
6 developed by the department.

7 (3) Any nonresident owner who desires to register a
8 vehicle or vehicles in this state shall register in the county
9 where the vehicle is domiciled or where the owner conducts a bona
10 fide business.

11 (4) Each new application shall contain, in addition to
12 other information as may be required by the department, the name
13 and post office address of the applicant and a description of the
14 vehicle, including the color, the manufacturer, the identification
15 number, and the weight of the vehicle required by Chapter 60,
16 article 3. With the application the applicant shall pay the proper
17 registration fee as provided in sections 60-305.08 to 60-339 and
18 shall state whether the vehicle is propelled by alternative fuel as
19 defined in section 66-686 and, if alternative fuel, the type of
20 fuel. The form shall also contain a notice that bulk fuel
21 purchasers may be subject to federal excise tax liability. The
22 department shall prescribe a form, containing the notice, for
23 supplying the information for vehicles to be registered. The
24 county treasurer shall include the form in each mailing made
25 pursuant to section 60-3003. The county treasurer or his or her
26 agent shall notify the Motor Fuel Tax Enforcement and Collection
27 Division of the Department of Revenue whenever a vehicle powered by
28 an alternative fuel as defined in section 66-686 is registered.

1 The notification shall include the name and address of the
2 registrant, the date of registration, the type of motor vehicle
3 registered, and the type of alternative fuel used to propel the
4 vehicle as indicated on the registration application.

5 (5) The county treasurer or his or her agent shall
6 collect, in addition to the registration fees, one dollar and fifty
7 cents for each certificate issued and shall remit one dollar and
8 fifty cents of each additional fee collected to the State Treasurer
9 for credit to the Department of Motor Vehicles Cash Fund.

10 (6) The county treasurer or his or her agent shall
11 collect, in addition to other registration fees, fifty cents for
12 each certificate issued and shall remit the fee to the State
13 Treasurer for credit to the Nebraska Emergency Medical System
14 Operations Fund.

15 (7) The county treasurer or his or her agent shall
16 collect, in addition to other registration fees, one dollar and
17 fifty cents for each certificate issued and shall remit the fee to
18 the State Treasurer for credit to the State Recreation Road Fund.

19 (8) If a citation is issued to an owner or operator of a
20 vehicle for a violation of this section and the owner properly
21 registers and licenses the vehicle not in compliance and pays all
22 taxes and fees due and the owner or operator provides proof of such
23 registration to the prosecuting attorney within ten days after the
24 issuance of the citation, no prosecution for the offense cited
25 shall occur.

26 (9) If a county board consolidates services under the
27 office of a designated county official other than the county
28 treasurer pursuant to section 23-186, the powers and duties of the

1 county treasurer relating to registration under sections 60-301 to
2 60-347 shall be performed by the designated county official.

3 (10) A county treasurer or county official or his or her
4 agent may accept credit cards, charge cards, debit cards, or
5 electronic funds transfers as a means of payment for registration
6 pursuant to section 13-609.

7 (11) For the period January 1, 2003, through December 31,
8 2005, the county treasurer or his or her agent shall collect, in
9 addition to the other registration fees, twenty-five cents for each
10 certificate issued to pay for the costs of the motor vehicle
11 insurance data base created under section 60-302.05 and shall remit
12 such additional fee to the State Treasurer for credit to the
13 Department of Motor Vehicles Cash Fund.

14 Sec. 103. Section 60-314, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 60-314. Upon the transfer of ownership of any motor
17 vehicle, its registration shall expire. ~~7 and the person in whose~~
18 ~~name such vehicle is registered shall be required to observe the~~
19 ~~provisions of sections 60-102 to 60-117.~~

20 Sec. 104. Section 60-6,309, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 60-6,309. Mopeds, their owners, and their operators
23 shall be subject to ~~Chapter 60, article 4~~ the Motor Vehicle
24 Operator's License Act, but shall be exempt from the requirements
25 of Chapter 60, ~~articles 1, 3, and 5~~ article 3, the Motor Vehicle
26 Certificate of Title Act, and the Motor Vehicle Safety
27 Responsibility Act.

28 Sec. 105. Section 60-6,375, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 60-6,375. An electric personal assistive mobility
3 device, its owner, and its operator shall be exempt from the
4 requirements of Chapter 60, ~~articles 1, 3, 4, and 5~~ article 3, the
5 Motor Vehicle Certificate of Title Act, the Motor Vehicle
6 Operator's License Act, and the Motor Vehicle Safety Responsibility
7 Act.

8 Sec. 106. Section 60-1411.02, Reissue Revised Statutes
9 of Nebraska, is amended to read:

10 60-1411.02. The board may, upon its own motion, and
11 shall, upon a sworn complaint in writing of any person, investigate
12 the actions of any person acting, registered, or licensed under
13 Chapter 60, article 14, as a motor vehicle dealer, trailer dealer,
14 motor vehicle or trailer salesperson, dealer's agent, manufacturer,
15 factory branch, distributor, factory representative, distributor
16 representative, supplemental motor vehicle dealer, wrecker or
17 salvage dealer, finance company, motorcycle dealer, or motor
18 vehicle auction dealer or operating without a registration or
19 license when such registration or license is required. The board
20 may deny any application for a license, may revoke or suspend a
21 license, may place the licensee or registrant on probation, may
22 assess an administrative fine in an amount not to exceed five
23 thousand dollars per violation, or may take any combination of such
24 actions if the violator, applicant, registrant, or licensee
25 including any officer, stockholder, partner, or limited liability
26 company member or any person having any financial interest in the
27 violator, applicant, registrant, or licensee:

28 (1) Has had any license issued under Chapter 60, article

1 14, revoked or suspended and, if the license has been suspended,
2 has not complied with the terms of suspension;

3 (2) Has knowingly purchased, sold, or done business in
4 stolen motor vehicles, motorcycles, or trailers or parts therefor;

5 (3) Has failed to provide and maintain an established
6 place of business;

7 (4) Has been found guilty of any felony which has not
8 been pardoned, has been found guilty of any misdemeanor concerning
9 fraud or conversion, or has suffered any judgment in any civil
10 action involving fraud, misrepresentation, or conversion. In the
11 event felony charges are pending against an applicant, the board
12 may refuse to issue a license to the applicant until there has been
13 a final determination of the charges;

14 (5) Has made a false material statement in his or her
15 application or any data attached to the application or to any
16 investigator or employee of the board;

17 (6) Has willfully failed to perform any written agreement
18 with any consumer or retail buyer;

19 (7) Has made a fraudulent sale, transaction, or
20 repossession, or created a fraudulent security interest as defined
21 in the Uniform Commercial Code, in a motor vehicle, trailer, or
22 motorcycle;

23 (8) Has failed to notify the board of a change in the
24 location of his or her established place or places of business and
25 in the case of a salesperson has failed to notify the board of any
26 change in his or her employment;

27 (9) Has willfully failed to deliver to a purchaser a
28 proper certificate of ownership for a motor vehicle, trailer, or

1 motorcycle sold by the licensee or to refund the full purchase
2 price if the purchaser cannot legally obtain proper certification
3 of ownership within thirty days;

4 (10) Has forged the signature of the registered or legal
5 owner on a certificate of title;

6 (11) Has failed to comply with Chapter 60, article 14,
7 and any orders, rules, or regulations of the board adopted and
8 promulgated under Chapter 60, article 14;

9 (12) Has failed to comply with the advertising and
10 selling standards established in section 60-1411.03;

11 (13) Has failed to comply with any provisions of the
12 Motor Vehicle Certificate of Title Act section 60-320, Chapter 60,
13 article ~~1~~ ~~or~~ 14, or the rules or regulations adopted and
14 promulgated by the board pursuant to Chapter 60, article 14;

15 (14) Has failed to comply with any provision of Chapter
16 71, article 46, or with any code, standard, rule, or regulation
17 adopted or made under the authority of or pursuant to Chapter 71,
18 article 46;

19 (15) Has willfully defrauded any retail buyer or other
20 person in the conduct of the licensee's business;

21 (16) Has employed any unlicensed salesperson or
22 salespersons;

23 (17) Has failed to comply with sections ~~60-132 to 60-138~~
24 90 to 96 of this act;

25 (18) Has engaged in any unfair methods of competition or
26 unfair or deceptive acts or practices prohibited under the Uniform
27 Deceptive Trade Practices Act; or

28 (19) Has conspired, as defined in section 28-202, with

1 other persons to process ~~titles~~ certificates of title in violation
2 of ~~Chapter 60, article 1~~ the Motor Vehicle Certificate of Title
3 Act.

4 If the violator, applicant, registrant, or licensee is a
5 publicly held corporation, the board's authority shall extend only
6 to the corporation and its managing officers and directors.

7 Sec. 107. Section 60-1417, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 60-1417. Every motor vehicle, motorcycle, or trailer
10 sale, except between a manufacturer or distributor, shall be
11 evidenced by an instrument in writing upon a form that may be
12 adopted and promulgated by the board and approved by the Attorney
13 General which shall contain all the agreements of the parties and
14 shall be signed by the buyer and seller or a duly acknowledged
15 agent of the seller. Prior to or concurrent with any such motor
16 vehicle, motorcycle, or trailer sale, the seller shall deliver to
17 the buyer written documentation which shall contain the following
18 information:

19 (1) Name of seller;

20 (2) Name of buyer;

21 (3) Year of model and identification number;

22 (4) Cash sale price;

23 (5) Year and model of trailer and serial number, if any;

24 (6) The amount of buyer's downpayment and whether made in
25 money or goods or partly in money and partly in goods, including a
26 brief description of any goods traded in;

27 (7) The difference between subdivisions (4) and (6) of
28 this section;

1 (8) The amount included for insurance if a separate
2 charge is made for insurance, specifying the types of coverages;

3 (9) If the sale is an installment sale:

4 (a) The basic time price, which is the sum of
5 subdivisions (7) and (8) of this section;

6 (b) The time-price differential;

7 (c) The amount of the time-price balance, which is the
8 sum of subdivisions (a) and (b) of this subdivision, payable in
9 installments by the buyer to the seller;

10 (d) The number, amount, and due date or period of each
11 installment payment; and

12 (e) The time-sales price;

13 (10) Whether the sale is as is or subject to warranty
14 and, if subject to warranty, specifying the warranty; and

15 (11) If repairs or inspections arising out of the conduct
16 of a dealer's business cannot be provided by the dealer in any
17 representations or warranties that may arise, the instrument shall
18 so state that fact and shall provide the purchaser with the
19 location of a facility where such repairs or inspections, as
20 provided for in the service contract, can be accomplished.

21 A copy of all such instruments and written documentation
22 shall be retained in the file of the dealer for five years from the
23 date of sale. The dealer shall keep a copy of the odometer
24 statement required by section ~~60-134~~ 92 of this act which is
25 furnished to him or her for each motor vehicle the dealer purchases
26 or sells. The dealer shall keep such statements for five years
27 from the date of the transaction as shown on the odometer
28 statement.

1 If a transaction for the sale of a new motor vehicle
2 which does not take place in the State of Nebraska provides for
3 delivery in Nebraska, delivery in Nebraska shall only be made
4 through a motor vehicle dealer licensed and bonded in Nebraska.
5 The motor vehicle dealer may charge the seller for such service but
6 shall not charge the purchaser. The motor vehicle dealer shall be
7 jointly and severally liable for compliance with all applicable
8 laws and contracts with the seller. If the dealer is not a
9 franchisee of the manufacturer or distributor of the line-make of
10 the vehicle, the dealer shall notify the purchaser in writing that
11 the dealer is jointly and severally liable with the seller for
12 compliance with all applicable laws and contracts with the seller
13 and that the dealer is not authorized to provide repairs or
14 inspections pursuant to the manufacturer's warranty.

15 Sec. 108. Section 60-1419, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 60-1419. Applicants for a motor vehicle dealer's
18 license, trailer dealer's license, or motorcycle dealer's license
19 shall, at the time of making application, furnish a corporate
20 surety bond in the penal sum of twenty thousand dollars, but for
21 the year 1985 and thereafter shall, at the time of making
22 application, furnish a corporate surety bond in the penal sum of
23 twenty-five thousand dollars. Applicants for a motor vehicle
24 auction dealer's license shall, at the time of making application,
25 furnish a corporate surety bond in the penal sum of not less than
26 one hundred thousand dollars. The bond shall be on a form
27 prescribed by the Attorney General of the State of Nebraska and
28 shall be signed by the Nebraska registered agent. The bond shall

1 provide: (1) That the applicant will faithfully perform all the
2 terms and conditions of such license; (2) that the licensed dealer
3 will first fully indemnify any holder of a lien or security
4 interest created pursuant to section ~~60-110~~ 64 of this act or
5 article 9, Uniform Commercial Code, whichever applies, in the order
6 of its priority and then any person or other dealer by reason of
7 any loss suffered because of (a) the substitution of any motor
8 vehicle or trailer other than the one selected by the purchaser,
9 (b) the dealer's failure to deliver to the purchaser a clear and
10 marketable title, (c) the dealer's misappropriation of any funds
11 belonging to the purchaser, (d) any alteration on the part of the
12 dealer so as to deceive the purchaser as to the year model of any
13 motor vehicle or trailer, (e) any false and fraudulent
14 representations or deceitful practices whatever in representing any
15 motor vehicle or trailer, (f) the dealer's failure to remit the
16 proceeds from the sale of any motor vehicle which is subject to a
17 lien or security interest to the holder of such lien or security
18 interest, and (g) the dealer's failure to pay any person or other
19 dealer for the purchase of a motor vehicle, motorcycle, trailer, or
20 any part or other purchase; and (3) that the motor vehicle,
21 motorcycle, motor vehicle auction, or trailer dealer or wholesaler
22 shall well, truly, and faithfully comply with all the provisions of
23 his or her license and the acts of the Legislature relating to such
24 license. The aggregate liability of the surety shall in no event
25 exceed the penalty of such bond.

26 Sec. 109. Section 60-3004, Reissue Revised Statutes of
27 Nebraska, is amended to read:

28 60-3004. (1) The motor vehicle tax schedules are set out

1 in this section.

2 (2) The motor vehicle tax shall be calculated by
 3 multiplying the base tax times the fraction which corresponds to
 4 the age category of the vehicle as shown in the following table:

5	YEAR	FRACTION
6	First	1.00
7	Second	0.90
8	Third	0.80
9	Fourth	0.70
10	Fifth	0.60
11	Sixth	0.51
12	Seventh	0.42
13	Eighth	0.33
14	Ninth	0.24
15	Tenth and Eleventh	0.15
16	Twelfth and Thirteenth	0.07
17	Fourteenth and older	0.00

18 (3) The base tax shall be:

19 (a) Passenger cars, trucks, utility vehicles, and vans,
 20 up to and including seven tons -- An amount determined using the
 21 following table:

22	Value when new	Base tax
23	Up to \$9,999	\$ 60
24	\$10,000 to \$11,999	100
25	\$12,000 to \$13,999	140
26	\$14,000 to \$15,999	180
27	\$16,000 to \$17,999	220
28	\$18,000 to \$19,999	260

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1	\$20,000 to \$21,999	300
2	\$22,000 to \$23,999	340
3	\$24,000 to \$25,999	380
4	\$26,000 to \$27,999	420
5	\$28,000 to \$29,999	460
6	\$30,000 to \$31,999	500
7	\$32,000 to \$33,999	540
8	\$34,000 to \$35,999	580
9	\$36,000 to \$37,999	620
10	\$38,000 to \$39,999	660
11	\$40,000 to \$41,999	700
12	\$42,000 to \$43,999	740
13	\$44,000 to \$45,999	780
14	\$46,000 to \$47,999	820
15	\$48,000 to \$49,999	860
16	\$50,000 to \$51,999	900
17	\$52,000 to \$53,999	940
18	\$54,000 to \$55,999	980
19	\$56,000 to \$57,999	1,020
20	\$58,000 to \$59,999	1,060
21	\$60,000 to \$61,999	1,100
22	\$62,000 to \$63,999	1,140
23	\$64,000 to \$65,999	1,180
24	\$66,000 to \$67,999	1,220
25	\$68,000 to \$69,999	1,260
26	\$70,000 to \$71,999	1,300
27	\$72,000 to \$73,999	1,340
28	\$74,000 to \$75,999	1,380

1 -- \$410

2 (j) Recreational vehicles -- Self-propelled mobile homes,
3 twelve thousand pounds and over -- \$860

4 (k) Assembled recreational vehicles and buses shall
5 follow the schedules for body type and registered weight

6 (l) Trucks -- Over seven tons and less than ten tons --
7 \$360

8 (m) Trucks -- Ten tons and over and less than thirteen
9 tons -- \$560

10 (n) Trucks -- Thirteen tons and over and less than
11 sixteen tons -- \$760

12 (o) Trucks -- Sixteen tons and over and less than
13 twenty-five tons -- \$960

14 (p) Trucks -- Twenty-five tons and over -- \$1,160

15 (q) Buses -- \$360

16 (r) Trailers other than semitrailers -- \$10

17 (s) Semitrailers -- \$110

18 (t) All other motor vehicles not listed in subdivisions
19 (3) (a) through (s) of this section -- \$310

20 (4) For purposes of subsection (3) of this section, truck
21 means all trucks and combinations of trucks or truck-tractors,
22 except those trucks, truck-trailers, trailers, semitrailers, or
23 combinations thereof registered under section 60-356, and the tax
24 is based on the gross vehicle weight rating as reported by the
25 manufacturer.

26 (5) For purposes of subsection (3) of this section,
27 trailer and semitrailer have the same meanings as in section
28 60-301.

1 (6) Current model year vehicles are designated as
2 first-year vehicles for purposes of the schedules.

3 (7) When a motor vehicle is registered which is newer
4 than the current model year by the manufacturer's designation, the
5 motor vehicle is subject to the initial motor vehicle tax in the
6 first registration period and ninety-five percent of the initial
7 motor vehicle tax in the second registration period.

8 (8) Assembled recreational vehicles and buses shall be
9 designated as sixth-year vehicles in their first year of
10 registration for purposes of the schedules.

11 (9) When a motor vehicle is registered which is required
12 to have a title branded as previous salvage pursuant to section
13 ~~60-130~~ 75 of this act, the motor vehicle tax shall be reduced by
14 twenty-five percent.

15 Sec. 110. Section 75-386, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 75-386. The Division of Motor Carrier Services shall:

18 (1) Foster, promote, and preserve the motor carrier
19 industry of the State of Nebraska;

20 (2) Protect and promote the public health and welfare of
21 the citizens of the state by ensuring that the motor carrier
22 industry is operated in an efficient and safe manner;

23 (3) Promote and provide for efficient and uniform
24 governmental oversight of the motor carrier industry;

25 (4) Promote financial responsibility on the part of motor
26 carriers operating in and through the State of Nebraska;

27 (5) Administer all provisions of the International Fuel
28 Tax Agreement Act and the International Registration Plan Act, and

1 the single state insurance registration system pursuant to sections
2 75-348 to 75-358;

3 (6) Provide for the issuance of certificates of title to
4 apportioned registered motor vehicles as provided for by
5 subdivision ~~(3)(e) of section 60-106~~ (2)(e) of section 44 of this
6 act;

7 (7) Serve as the agent of the Public Service Commission
8 in the filing of proof of insurance by intrastate common, contract,
9 and private motor carriers as prescribed by sections 75-307 to
10 75-307.03;

11 (8) Serve as an agent for the Department of Roads in the
12 issuance of routine permits administered by the Department of
13 Roads. For purposes of this subdivision, routine permit means a
14 permit designated as a routine permit by the Department of Roads
15 pursuant to subsection (5) of section 60-6,298; and

16 (9) Carry out such other duties and responsibilities as
17 directed by the Legislature.

18 Sec. 111. Section 81-8,219, Revised Statutes Supplement,
19 2004, is amended to read:

20 81-8,219. The State Tort Claims Act shall not apply to:

21 (1) Any claim based upon an act or omission of an
22 employee of the state, exercising due care, in the execution of a
23 statute, rule, or regulation, whether or not such statute, rule, or
24 regulation is valid, or based upon the exercise or performance or
25 the failure to exercise or perform a discretionary function or duty
26 on the part of a state agency or an employee of the state, whether
27 or not the discretion is abused;

28 (2) Any claim arising with respect to the assessment or

1 collection of any tax or fee, or the detention of any goods or
2 merchandise by any law enforcement officer;

3 (3) Any claim for damages caused by the imposition or
4 establishment of a quarantine by the state whether such quarantine
5 relates to persons or property;

6 (4) Any claim arising out of assault, battery, false
7 imprisonment, false arrest, malicious prosecution, abuse of
8 process, libel, slander, misrepresentation, deceit, or interference
9 with contract rights;

10 (5) Any claim by an employee of the state which is
11 covered by the Nebraska Workers' Compensation Act;

12 (6) Any claim based on activities of the Nebraska
13 National Guard when such claim is cognizable under the Federal Tort
14 Claims Act, 28 U.S.C. 2674, or the National Guard Tort Claims Act
15 of the United States, 32 U.S.C. 715, or when such claim accrues as
16 a result of active federal service or state service at the call of
17 the Governor for quelling riots and civil disturbances;

18 (7) Any claim based upon the failure to make an
19 inspection or making an inadequate or negligent inspection of any
20 property other than property owned by or leased to the state to
21 determine whether the property complies with or violates any
22 statute, ordinance, rule, or regulation or contains a hazard to
23 public health or safety unless the state had reasonable notice of
24 such hazard or the failure to inspect or inadequate or negligent
25 inspection constitutes a reckless disregard for public health or
26 safety;

27 (8) Any claim based upon the issuance, denial,
28 suspension, or revocation of or failure or refusal to issue, deny,

1 suspend, or revoke any permit, license, certificate, or order.
2 Such claim shall also not be filed against a state employee acting
3 within the scope of his or her office. Nothing in this subdivision
4 shall be construed to limit the state's liability for any claim
5 based upon the negligent execution by a state employee in the
6 issuance of a certificate of title under ~~sections 37-1278 to~~
7 ~~37-1279, 37-1282, 37-1283, 37-1291 to 37-1298, 60-110 to 60-112,~~
8 ~~and 60-129 to 60-131~~ the Motor Vehicle Certificate of Title Act and
9 the State Boat Act;

10 (9) Any claim arising out of the malfunction,
11 destruction, or unauthorized removal of any traffic or road sign,
12 signal, or warning device unless it is not corrected by the
13 governmental entity responsible within a reasonable time after
14 actual or constructive notice of such malfunction, destruction, or
15 removal. Nothing in this subdivision shall give rise to liability
16 arising from an act or omission of any governmental entity in
17 placing or removing any traffic or road signs, signals, or warning
18 devices when such placement or removal is the result of a
19 discretionary act of the governmental entity;

20 (10) Any claim arising out of snow or ice conditions or
21 other temporary conditions caused by nature on any highway as
22 defined in section 60-624, bridge, public thoroughfare, or other
23 state-owned public place due to weather conditions. Nothing in
24 this subdivision shall be construed to limit the state's liability
25 for any claim arising out of the operation of a motor vehicle by an
26 employee of the state while acting within the course and scope of
27 his or her employment by the state;

28 (11) Any claim arising out of the plan or design for the

1 construction of or an improvement to any highway as defined in such
2 section or bridge, either in original construction or any
3 improvement thereto, if the plan or design is approved in advance
4 of the construction or improvement by the governing body of the
5 governmental entity or some other body or employee exercising
6 discretionary authority to give such approval; or

7 (12) Any claim arising out of the alleged insufficiency
8 or want of repair of any highway as defined in such section,
9 bridge, or other public thoroughfare. Insufficiency or want of
10 repair shall be construed to refer to the general or overall
11 condition and shall not refer to a spot or localized defect. The
12 state shall be deemed to waive its immunity for a claim due to a
13 spot or localized defect only if the state has had actual or
14 constructive notice of the defect within a reasonable time to allow
15 repair prior to the incident giving rise to the claim.

16 Sec. 112. Section 81-2004.02, Revised Statutes
17 Supplement, 2004, is amended to read:

18 81-2004.02. There is hereby created the Nebraska State
19 Patrol Cash Fund. Money from this fund shall be used to defray
20 expenses incident to the administration of the Nebraska State
21 Patrol. All funds received by the Nebraska State Patrol for
22 services rendered shall be remitted to the State Treasurer for
23 credit to the Nebraska State Patrol Cash Fund. Such fund shall be
24 administered by the Superintendent of Law Enforcement and Public
25 Safety.

26 Allowable uses of the fund shall include, but not be
27 limited to, defraying the cost of:

28 (1) The vehicle identification inspection program

1 established in sections ~~60-118 to 60-127~~ 77 to 89 of this act;

2 (2) Investigations of odometer and motor vehicle fraud,
3 motor vehicle licensing violations, and motor vehicle theft; and

4 (3) Other investigative expenses when money is
5 specifically appropriated by the Legislature for such purposes.

6 Any money in the fund available for investment shall be
7 invested by the state investment officer pursuant to the Nebraska
8 Capital Expansion Act and the Nebraska State Funds Investment Act.

9 ~~The State Treasurer shall transfer five hundred thousand~~
10 ~~dollars from the Nebraska State Patrol Cash Fund to the General~~
11 ~~Fund within five days after August 16, 2002.~~

12 Sec. 113. Section 2A-104, Uniform Commercial Code, is
13 amended to read:

14 2A-104. Leases subject to other law.

15 (1) A lease, although subject to this article, is also
16 subject to any applicable:

17 (a) certificate of title statute of this state ~~(section~~
18 ~~60-103 or 60-104, Reissue Revised Statutes of Nebraska)~~ (the Motor
19 Vehicle Certificate of Title Act);

20 (b) certificate of title statute of another jurisdiction
21 (section 2A-105); or

22 (c) consumer protection statute of this state, or final
23 consumer protection decision of a court of this state existing on
24 September 6, 1991.

25 (2) In case of conflict between this article, other than
26 sections 2A-105, 2A-304(3), and 2A-305(3), and a statute or
27 decision referred to in subsection (1), the statute or decision
28 controls.

1 (3) Failure to comply with an applicable law has only the
2 effect specified therein.

3 Sec. 114. Section 9-311, Uniform Commercial Code, is
4 amended to read:

5 9-311. Perfection of security interests in property subject to
6 certain statutes, regulations, and treaties.

7 (a) Except as otherwise provided in subsection (d), the
8 filing of a financing statement is not necessary or effective to
9 perfect a security interest in property subject to:

10 (1) a statute, regulation, or treaty of the United States
11 whose requirements for a security interest's obtaining priority
12 over the rights of a lien creditor with respect to the property
13 preempt section 9-310(a);

14 (2) the following statutes of this state: (i) section
15 ~~60-110~~ 64 of this act, Reissue Revised Statutes of Nebraska, but
16 during any period in which collateral is inventory held for sale by
17 a person who is in the business of selling goods of that kind, the
18 filing provisions of part 5 apply to a security interest in that
19 collateral created by him or her as debtor; and (ii) section
20 37-1282, Reissue Revised Statutes of Nebraska, but during any
21 period in which collateral is inventory held for sale by a person
22 who is in the business of selling goods of that kind, the filing
23 provisions of part 5 apply to a security interest in that
24 collateral created by him or her as debtor; or

25 (3) a certificate-of-title statute of another
26 jurisdiction which provides for a security interest to be indicated
27 on the certificate as a condition or result of the security
28 interest's obtaining priority over the rights of a lien creditor

1 with respect to the property.

2 (b) Compliance with the requirements of a statute,
3 regulation, or treaty described in subsection (a) for obtaining
4 priority over the rights of a lien creditor is equivalent to the
5 filing of a financing statement under this article. Except as
6 otherwise provided in subsection (d) and sections 9-313 and
7 9-316(d) and (e) for goods covered by a certificate of title, a
8 security interest in property subject to a statute, regulation, or
9 treaty described in subsection (a) may be perfected only by
10 compliance with those requirements, and a security interest so
11 perfected remains perfected notwithstanding a change in the use or
12 transfer of possession of the collateral.

13 (c) Except as otherwise provided in subsection (d) and
14 section 9-316(d) and (e), duration and renewal of perfection of a
15 security interest perfected by compliance with the requirements
16 prescribed by a statute, regulation, or treaty described in
17 subsection (a) are governed by the statute, regulation, or treaty.
18 In other respects, the security interest is subject to this
19 article.

20 (d) During any period in which collateral subject to a
21 statute specified in subdivision (a)(2) is inventory held for sale
22 or lease by a person or leased by that person as lessor and that
23 person is in the business of selling goods of that kind, this
24 section does not apply to a security interest in that collateral
25 created by that person.

26 Sec. 115. Original sections 42-371, 52-1801, 60-302,
27 60-314, 60-6,309, 60-6,375, 60-1411.02, 60-1417, 60-1419, 60-3004,
28 and 75-386, Reissue Revised Statutes of Nebraska, sections 13-910,

1 23-186, 81-8,219, and 81-2004.02, Revised Statutes Supplement,
2 2004, and sections 2A-104 and 9-311, Uniform Commercial Code, are
3 repealed.

4 Sec. 116. The following sections are outright repealed:
5 Sections 60-102 to 60-111.01, 60-112 to 60-127, and 60-129 to
6 60-169, Reissue Revised Statutes of Nebraska.