## LEGISLATURE OF NEBRASKA

## ONE HUNDRED EIGHTH LEGISLATURE

SECOND SESSION

## **LEGISLATIVE BILL 1105**

Introduced by DeKay, 40.

Read first time January 10, 2024

Committee: Transportation and Telecommunications

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-101, 2 60-171, 60-172, 60-174, 60-175, 60-176, 60-177, 60-385, 60-395, 3 60-397, and 60-1508, Reissue Revised Statutes of Nebraska, and 4 sections 60-146, 60-149, and 60-3,198, Revised Statutes Cumulative Supplement, 2022; to change provisions relating to certificates of 5 6 title; to name the Branded Certificate of Title Act and provide for 7 the issuance of destroyed-vehicle branded certificates of title; to 8 define terms; to provide a duty for the Department of Motor 9 Vehicles; to harmonize provisions; and to repeal the original sections. 10

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

- 1 Section 1. Section 60-101, Reissue Revised Statutes of Nebraska, is
- 2 amended to read:
- 3 60-101 Sections 60-101 to 60-197 <u>and the Branded Certificate of</u>
- 4 <u>Title Act</u> shall be known and may be cited as the Motor Vehicle
- 5 Certificate of Title Act.
- 6 Sec. 2. Section 60-146, Revised Statutes Cumulative Supplement,
- 7 2022, is amended to read:
- 8 60-146 (1) An application for a certificate of title for a vehicle
- 9 shall include a statement that an identification inspection has been
- 10 conducted on the vehicle unless (a) the title sought is a salvage branded
- 11 certificate of title <u>issued pursuant to the Branded Certificate of Title</u>
- 12 Act or a nontransferable certificate of title, (b) the surrendered
- 13 ownership document is a Nebraska certificate of title, a manufacturer's
- 14 statement of origin, an importer's statement of origin, a United States
- 15 Government Certificate of Release of a vehicle, or a nontransferable
- 16 certificate of title, (c) the application contains a statement that the
- 17 vehicle is to be registered under section 60-3,198, (d) the vehicle is a
- 18 cabin trailer, (e) the title sought is the first title for the vehicle
- 19 sold directly by the manufacturer of the vehicle to a dealer franchised
- 20 by the manufacturer, or (f) the vehicle was sold at an auction authorized
- 21 by the manufacturer and purchased by a dealer franchised by the
- 22 manufacturer of the vehicle.
- 23 (2) The department shall prescribe a form to be executed by a dealer
- 24 and submitted with an application for a certificate of title for vehicles
- 25 exempt from inspection pursuant to subdivision (1)(e) or (f) of this
- 26 section. The form shall clearly identify the vehicle and state under
- 27 penalty of law that the vehicle is exempt from inspection.
- 28 (3) The statement that an identification inspection has been
- 29 conducted shall be furnished by the county sheriff of any county or by
- 30 any other holder of a certificate of training issued pursuant to section
- 31 60-183, shall be in a format as determined by the department, and shall

- 1 expire ninety days after the date of the inspection. The county treasurer
- 2 shall accept a certificate of inspection, approved by the superintendent,
- 3 from an officer of a state police agency of another state unless an
- 4 inspection is required under section 60-174.
- 5 (4)(a) Except as provided in subdivision (b) of this subsection, the identification inspection shall include examination and notation of the 6 then current odometer reading, if any, and a comparison of the vehicle 7 identification number with the number listed on the ownership records, 8 9 except that if a lien is registered against a vehicle and recorded on the vehicle's ownership records, the county treasurer shall provide a copy of 10 the ownership records for use in making such comparison. If such numbers 11 are not identical, if there is reason to believe further inspection is 12 13 necessary, or if the inspection is for a Nebraska assigned number, the 14 person performing the inspection shall make a further inspection of the vehicle which may include, but shall not be limited to, examination of 15 other identifying numbers placed on the vehicle by the manufacturer and 16 17 an inquiry into the numbering system used by the state issuing such ownership records to determine ownership of a vehicle. The identification 18 19 inspection shall also include a statement that the vehicle identification number has been checked for entry in the National Crime Information 20 Center and the Nebraska Crime Information Service. In the case of an 21 assembled vehicle, a vehicle designated as reconstructed, or a vehicle 22 designated as replica, the identification inspection shall include, but 23 24 not be limited to, an examination of the records showing the date of 25 receipt and source of each major component part. No identification inspection shall be conducted unless all major component parts are 26 properly attached to the vehicle in the correct location. 27
- (b) Each county sheriff shall establish a process by which to enter into an agreement with any motor vehicle dealer as defined in section 60-1401.26 with an established place of business as defined in section 60-1401.15 in the county in which the sheriff has jurisdiction in order

- to collect information for the identification inspection on motor 1 2 vehicles which are in the inventory of the motor vehicle dealer at the dealer's established place of business in such county. The agreement 3 4 entered into shall require that the motor vehicle dealer provide the required fee, a copy of the documents evidencing transfer of ownership, 5 and the make, model, vehicle identification number, and odometer reading 6 in a form and manner prescribed by the county sheriff, which shall 7 include a requirement to provide one or more photographs or digital 8 images of the vehicle, the vehicle identification number, and the 9 odometer reading. The county sheriff shall complete the identification 10 inspection as required under subdivision (a) of this subsection using 11 such information and return to the motor vehicle dealer the statement 12 that an identification inspection has been conducted for each motor 13 vehicle as provided in subsection (3) of this section. If the information 14 is incomplete or if there is reason to believe that further inspection is 15 necessary, the county sheriff shall inform the motor vehicle dealer. If 16 the motor vehicle dealer knowingly provides inaccurate or false 17 information, the motor vehicle dealer shall be liable for any damages 18 that result from the provision of such information. The motor vehicle 19 dealer shall keep the records for five years after the date the 20 identification inspection is complete. 21
- (5) If there is cause to believe that odometer fraud exists, written notification shall be given to the office of the Attorney General. If after such inspection the sheriff or his or her designee determines that the vehicle is not the vehicle described by the ownership records, no statement shall be issued.
- 27 (6) The county treasurer or the department may also request an 28 identification inspection of a vehicle to determine if it meets the 29 definition of motor vehicle as defined in section 60-123.
- 30 Sec. 3. Section 60-149, Revised Statutes Cumulative Supplement, 31 2022, is amended to read:

- 1 60-149 (1)(a) If a certificate of title has previously been issued
- 2 for a vehicle in this state, the application for a new certificate of
- 3 title shall be accompanied by the certificate of title duly assigned
- 4 except as otherwise provided in the Motor Vehicle Certificate of Title
- 5 Act.
- 6 (b) Except for manufactured homes or mobile homes as provided in
- 7 subsection (2) of this section, if a certificate of title has not
- 8 previously been issued for the vehicle in this state or if a certificate
- 9 of title is unavailable, the application shall be accompanied by:
- 10 (i) A manufacturer's or importer's certificate except as otherwise
- 11 provided in subdivision (viii) of this subdivision;
- 12 (ii) A duly certified copy of the manufacturer's or importer's
- 13 certificate;
- 14 (iii) An affidavit by the owner affirming ownership in the case of
- an all-terrain vehicle, a utility-type vehicle, or a minibike;
- (iv) A certificate of title from another state;
- 17 (v) A court order issued by a court of record, a manufacturer's
- 18 certificate of origin, or an assigned registration certificate, if the
- 19 law of the state from which the vehicle was brought into this state does
- 20 not have a certificate of title law;
- 21 (vi) Evidence of ownership as provided for in section 30-24,125,
- 22 sections 52-601.01 to 52-605, sections 60-1901 to 60-1911, or sections
- 23 60-2401 to 60-2411;
- 24 (vii) Documentation prescribed in section 60-142.01, 60-142.02,
- 25 60-142.04, 60-142.05, 60-142.09, or 60-142.11 or documentation of
- 26 compliance with section 76-1607;
- 27 (viii) A manufacturer's or importer's certificate and an affidavit
- 28 by the owner affirming ownership in the case of a minitruck; or
- 29 (ix) In the case of a motor vehicle, a trailer, an all-terrain
- 30 vehicle, a utility-type vehicle, or a minibike, an affidavit by the
- 31 holder of a motor vehicle auction dealer's license as described in

- 1 subdivision (11) of section 60-1406 affirming that the certificate of
- 2 title is unavailable and that the vehicle (A) is a salvage vehicle or a
- 3 structurally totaled vehicle as defined in section 60-171 through payment
- 4 of a total loss settlement, (B) is a salvage vehicle or a structurally
- 5 totaled vehicle as defined in section 60-171 purchased by the auction
- 6 dealer, or (C) has been donated to an organization operating under
- 7 section 501(c)(3) of the Internal Revenue Code as defined in section
- 8 49-801.01.
- 9 (c) If the application for a certificate of title in this state is
- 10 accompanied by a valid certificate of title issued by another state which
- 11 meets that state's requirements for transfer of ownership, then the
- 12 application may be accepted by this state.
- 13 (d) If a certificate of title has not previously been issued for the
- 14 vehicle in this state and the applicant is unable to provide such
- 15 documentation, the applicant may apply for a bonded certificate of title
- 16 as prescribed in section 60-167.
- 17 (2)(a) If the application for a certificate of title for a
- 18 manufactured home or a mobile home is being made in accordance with
- 19 subdivision (4)(b) of section 60-137 or if the certificate of title for a
- 20 manufactured home or a mobile home is unavailable, the application shall
- 21 be accompanied by proof of ownership in the form of:
- 22 (i) A duly assigned manufacturer's or importer's certificate;
- 23 (ii) A certificate of title from another state;
- 24 (iii) A court order issued by a court of record;
- 25 (iv) Evidence of ownership as provided for in section 30-24,125,
- 26 sections 52-601.01 to 52-605, sections 60-1901 to 60-1911, or sections
- 27 60-2401 to 60-2411, or documentation of compliance with section 76-1607;
- 28 or
- 29 (v) Assessment records for the manufactured home or mobile home from
- 30 the county assessor and an affidavit by the owner affirming ownership.
- 31 (b) If the applicant cannot produce proof of ownership described in

- 1 subdivision (a) of this subsection, he or she may submit to the
- 2 department such evidence as he or she may have, and the department may
- 3 thereupon, if it finds the evidence sufficient, issue the certificate of
- 4 title or authorize the county treasurer to issue a certificate of title,
- 5 as the case may be.
- 6 (3)(a) (3) For purposes of this section, certificate of title
- 7 includes a salvage certificate, a salvage branded certificate of title
- 8 <u>issued pursuant to the Branded Certificate of Title Act</u>, or any other
- 9 document of ownership issued by another state or jurisdiction for a
- 10 salvage vehicle or structurally totaled vehicle as defined in section
- 11 60-171.
- 12 <u>(b)</u> Only a salvage branded certificate of title shall be issued to
- 13 any vehicle conveyed upon a salvage certificate, a salvage branded
- 14 certificate of title, or any other document of ownership issued by
- 15 another state or jurisdiction for a salvage vehicle. A previously salvage
- 16 branded certificate of title may be issued if, prior to application, the
- 17 applicant's vehicle has been repaired and inspected as provided in
- 18 section 60-146.
- 19 (c) Only a destroyed-vehicle branded certificate of title shall be
- 20 <u>issued to any vehicle conveyed upon a destroyed-vehicle branded</u>
- 21 <u>certificate of title or any other document of ownership issued by another</u>
- 22 state or jurisdiction for a structurally totaled vehicle as defined in
- 23 <u>section 60-171.</u>
- 24 (4) The county treasurer shall retain the evidence of title
- 25 presented by the applicant and on which the certificate of title is
- 26 issued.
- 27 (5)(a) If an affidavit is submitted under subdivision (1)(b)(ix) of
- 28 this section, the holder of a motor vehicle auction dealer's license
- 29 shall certify that (i) it has made at least two written attempts and has
- 30 been unable to obtain the properly endorsed certificate of title to the
- 31 property noted in the affidavit from the owner and (ii) thirty days have

- 1 expired after the mailing of a written notice regarding the intended
- 2 disposition of the property noted in the affidavit by certified mail,
- 3 return receipt requested, to the last-known address of the owner and to
- 4 any lien or security interest holder of record of the property noted in
- 5 the affidavit.
- 6 (b) The notice under subdivision (5)(a)(ii) of this section shall
- 7 contain a description of the property noted in the affidavit and a
- 8 statement that title to the property noted in the affidavit shall vest in
- 9 the holder of the motor vehicle auction dealer's license thirty days
- 10 after the date such notice was mailed.
- 11 (c) The mailing of notice and the expiration of thirty days under
- 12 subdivision (5)(a)(ii) of this section shall extinguish any lien or
- 13 security interest of a lienholder or security interest holder in the
- 14 property noted in the affidavit, unless the lienholder or security
- interest holder has claimed such property within such thirty-day period.
- 16 The holder of a motor vehicle auction dealer's license shall transfer
- 17 possession of the property noted in the affidavit to the lienholder or
- 18 security interest holder claiming such property.
- 19 Sec. 4. Sections 60-171 to 60-177 and sections 4 and 9 of this act
- 20 <u>shall be known and may be cited as the Branded Certificate of Title Act.</u>
- 21 Sec. 5. Section 60-171, Reissue Revised Statutes of Nebraska, is
- 22 amended to read:
- 23 60-171 For purposes of the Branded Certificate of Title Act sections
- 24 <del>60-171 to 60-177</del>:
- 25 (1) Consumer care has the same meaning as in section 60-1401.10;
- 26 (2) (1) Cost of repairs means the estimated or actual retail cost of
- 27 parts needed to repair a vehicle plus the cost of labor computed by using
- 28 the hourly labor rate and time allocations for repair that are customary
- 29 and reasonable. Retail cost of parts and labor rates may be based upon
- 30 collision estimating manuals or electronic computer estimating systems
- 31 customarily used in the insurance industry;

- 1 (3) (2) Flood damaged means damage to a vehicle resulting from being
- 2 submerged in water to the point that rising water has reached over the
- 3 floorboard, has entered the passenger compartment, and has caused damage
- 4 to any electrical, computerized, or mechanical components. Flood damaged
- 5 specifically does not apply to a vehicle that an inspection, conducted by
- 6 an insurance claim representative or a vehicle repairer, indicates:
- 7 (a) Has no electrical, computerized, or mechanical components
- 8 damaged by water; or
- 9 (b) Had one or more electrical, computerized, or mechanical
- 10 components damaged by water and all such damaged components were repaired
- 11 or replaced;
- 12 (4) (3) Late model vehicle means a vehicle which has (a) a
- 13 manufacturer's model year designation of, or later than, the year in
- 14 which the vehicle was wrecked, damaged, or destroyed, or any of the six
- preceding years or (b)(i) in the case of vehicles other than all-terrain
- 16 vehicles, utility-type vehicles, and minibikes, a retail value of more
- 17 than ten thousand five hundred dollars until January 1, 2010, and a
- 18 retail value of more than ten thousand five hundred dollars increased by
- 19 five hundred dollars every five years thereafter or (ii) in the case of
- 20 all-terrain vehicles, utility-type vehicles, or minibikes, a retail value
- 21 of more than one thousand seven hundred fifty dollars until January 1,
- 22 2010, and a retail value of more than one thousand seven hundred fifty
- 23 dollars increased by two hundred fifty dollars every five years
- 24 thereafter;
- 25 (5) (4) Manufacturer buyback means the designation of a vehicle with
- 26 an alleged nonconformity when the vehicle (a) has been replaced by a
- 27 manufacturer or (b) has been repurchased by a manufacturer as the result
- 28 of court judgment, arbitration, or any voluntary agreement entered into
- 29 between the manufacturer or its agent and a consumer;
- (6) (5) Previously salvaged or rebuilt each mean the designation of
- 31 a rebuilt vehicle which was previously required to be issued a salvage

- 1 branded certificate of title and which has been inspected as provided in
- 2 section 60-146;
- 3 (7) (6) Retail value means the actual cash value, fair market value,
- 4 or retail value of a vehicle as (a) set forth in a current edition of any
- 5 nationally recognized compilation, including automated databases, of
- 6 retail values or (b) determined pursuant to a market survey of comparable
- 7 vehicles with respect to condition and equipment;—and
- 8 (8) (7) Salvage means the designation of a vehicle which is:
- 9 (a) A late model vehicle which has been wrecked, damaged, or
- 10 destroyed to the extent that the estimated total cost of repair to
- 11 rebuild or reconstruct the vehicle to its condition immediately before it
- 12 was wrecked, damaged, or destroyed and to restore the vehicle to a
- 13 condition for legal operation, meets or exceeds seventy-five percent of
- 14 the retail value of the vehicle at the time it was wrecked, damaged, or
- 15 destroyed; or
- 16 (b) Voluntarily designated by the owner of the vehicle as a salvage
- 17 vehicle by obtaining a salvage branded certificate of title, without
- 18 respect to the damage to, age of, or value of the vehicle; and -
- 19 (9)(a) Structurally totaled vehicle means a vehicle totaled due to a
- 20 kink or crease in a frame rail, a unibody, or a structural component,
- 21 <u>including an engine cradle or a rear differential;</u>
- 22 (b) Structurally totaled vehicle does not include a vehicle deemed a
- 23 <u>total loss due to hail or cosmetic damage; and</u>
- 24 (c) Structurally totaled vehicle does not include a vehicle if the
- 25 cost to perform repairs does not exceed seventy-five percent of the
- 26 actual cash value of the vehicle.
- 27 Sec. 6. Section 60-172, Reissue Revised Statutes of Nebraska, is
- 28 amended to read:
- 29 60-172 A certificate of title issued on or after January 1, 2003,
- 30 shall disclose in writing, from any records readily accessible to the
- 31 department or county officials or a law enforcement officer, anything

- 1 which indicates that the vehicle was previously issued a title in another
- 2 jurisdiction that bore any word or symbol signifying that the vehicle was
- 3 damaged, including, but not limited to, <u>destroyed vehicle</u>, older model
- 4 salvage, unrebuildable, parts only, scrap, junk, nonrepairable,
- 5 reconstructed, rebuilt, flood damaged, damaged, buyback, or any other
- 6 indication, symbol, or word of like kind, and the name of the
- 7 jurisdiction issuing the previous title.
- 8 Sec. 7. Section 60-174, Reissue Revised Statutes of Nebraska, is
- 9 amended to read:
- 10 60-174 Whenever a title is issued in this state for a vehicle that
- 11 is designated as destroyed, a salvage, previously salvaged or rebuilt,
- 12 flood damaged, or manufacturer buyback, the following title brands shall
- 13 be required: <u>Destroyed vehicle, salvage</u> <del>Salvage</del>, previously salvaged,
- 14 flood damaged, or manufacturer buyback. A certificate branded <u>destroyed</u>
- 15 <u>vehicle</u>, salvage, previously salvaged, flood damaged, or manufacturer
- 16 buyback shall be administered in the same manner and for the same fee or
- 17 fees as provided for a certificate of title in sections 60-154 to 60-160.
- 18 When a salvage branded certificate of title is surrendered for a
- 19 certificate of title branded previously salvaged, the application for a
- 20 certificate of title shall be accompanied by a statement of inspection as
- 21 provided in section 60-146.
- 22 Sec. 8. Section 60-175, Reissue Revised Statutes of Nebraska, is
- 23 amended to read:
- 24 60-175 Any person who acquires ownership of a <u>destroyed</u>, salvage,
- 25 flood-damaged, or manufacturer buyback vehicle for which he or she does
- 26 not obtain a <u>destroyed-vehicle branded</u>, salvage branded, flood-damaged
- 27 branded, or manufacturer buyback branded certificate of title shall
- 28 surrender the certificate of title to the county treasurer and make
- 29 application for a <u>destroyed-vehicle branded</u>, salvage branded, flood-
- 30 damaged branded, or manufacturer buyback branded certificate of title
- 31 within thirty days after acquisition or prior to the sale or resale of

LB1105 2024

1 the vehicle or any major component part of such vehicle or use of any

- 2 major component part of the vehicle, whichever occurs earlier.
- 3 Sec. 9. (1) A facility that provides consumer care to a vehicle may
- 4 declare such vehicle structurally totaled if an insurance company that
- 5 insured the vehicle, at the time the vehicle sustained the damage that
- 6 <u>caused it to be declared a structurally totaled vehicle, consents to such</u>
- 7 declaration.
- 8 (2) When an insurance company acquires a structurally totaled
- 9 vehicle through payment of a total loss settlement on account of damage,
- 10 the company shall obtain the certificate of title from the owner,
- 11 surrender such certificate of title to the county treasurer, and make
- 12 application for a destroyed-vehicle branded certificate of title, which
- 13 shall be assigned when the company transfers ownership. An insurance
- 14 company shall take title to a structurally totaled vehicle for which a
- 15 total loss settlement is made unless the owner of the structurally
- 16 totaled vehicle elects to retain such vehicle.
- 17 (3) If the owner elects to retain the structurally totaled vehicle,
- 18 the insurance company shall notify the department of such fact in a
- 19 format prescribed by the department. The department shall immediately
- 20 enter the destroyed-vehicle brand onto the computerized record of the
- 21 <u>vehicle</u>. Beginning on the implementation date designated by the director
- 22 pursuant to subsection (5) of section 60-1508, the insurance company
- 23 <u>shall report electronically to the department using the electronic</u>
- 24 reporting system. The insurance company shall also notify the owner of
- the owner's responsibility to comply with this section. The owner shall,
- 26 within thirty days after the settlement of the loss, forward the properly
- 27 endorsed acceptable certificate of title to the county treasurer in the
- 28 county designated in section 60-144. Upon receipt of the certificate of
- 29 <u>title, the county treasurer shall issue a destroyed-vehicle branded</u>
- 30 certificate of title for the vehicle.
- 31 (4) An insurance company may apply to the department for a

- 1 destroyed-vehicle branded certificate of title without obtaining a
- 2 properly endorsed certificate of title from the owner or other evidence
- 3 of ownership as prescribed by the department if it has been at least
- 4 thirty days since the company obtained oral or written acceptance by the
- 5 <u>owner of an offer in an amount in settlement of a total loss. The</u>
- 6 <u>insurance company shall submit an application form prescribed by the</u>
- 7 department for a destroyed-vehicle branded certificate of title
- 8 accompanied by an affidavit from the insurance company that it has made
- 9 at least two written attempts and has been unable to obtain the proper
- 10 endorsed certificate of title from the owner following an oral or written
- 11 <u>acceptance by the owner of an offer of an amount in settlement of a total</u>
- 12 loss and evidence of settlement.
- 13 <u>(5) A vehicle with a destroyed-vehicle branded certificate of title</u>
- 14 <u>shall not be registered under the Motor Vehicle Registration Act.</u>
- 15 Sec. 10. Section 60-176, Reissue Revised Statutes of Nebraska, is
- 16 amended to read:
- 17 60-176 Any person who knowingly transfers a wrecked, damaged, or
- 18 destroyed vehicle in violation of the Branded Certificate of Title Act
- 19 sections 60-171 to 60-177 is guilty of a Class IV felony.
- 20 Sec. 11. Section 60-177, Reissue Revised Statutes of Nebraska, is
- 21 amended to read:
- 22 60-177 Nothing in the Branded Certificate of Title Act sections
- 23 60-171 to 60-177 shall be construed to require the actual repair of a
- 24 wrecked, damaged, or destroyed vehicle to be designated as salvage.
- 25 Sec. 12. Section 60-385, Reissue Revised Statutes of Nebraska, is
- 26 amended to read:
- 27 60-385 Every owner of a motor vehicle or trailer required to be
- 28 registered shall make application for registration to the county
- 29 treasurer of the county in which the motor vehicle or trailer has situs.
- 30 The application shall be by any means designated by the department. An
- 31 approved licensed dealer participating in the electronic dealer services

- 1 system pursuant to section 60-1507 may submit such application
- 2 electronically to the appropriate county treasurer or the department. A
- 3 salvage branded certificate of title issued pursuant to the Branded
- 4 Certificate of Title Act and a nontransferable certificate of title
- 5 provided for in section 60-170 shall not be valid for registration
- 6 purposes.
- 7 Sec. 13. Section 60-395, Reissue Revised Statutes of Nebraska, is
- 8 amended to read:
- 9 60-395 (1) Except as otherwise provided in subsection (2) of this
- 10 section and sections 60-3,121, 60-3,122.02, 60-3,122.04, 60-3,128,
- 11 60-3,224, 60-3,227, 60-3,231, 60-3,233, 60-3,235, 60-3,238, 60-3,240,
- 12 60-3,242, 60-3,244, 60-3,246, 60-3,248, 60-3,250, 60-3,252, 60-3,254,
- 13 60-3,256, and 60-3,258, the registration shall expire and the registered
- 14 owner or lessee may, by returning the registration certificate, the
- 15 license plates, and, when appropriate, the validation decals and by
- 16 either making application on a form prescribed by the department to the
- 17 county treasurer of the occurrence of an event described in subdivisions
- 18 (a) through (e) of this subsection or, in the case of a change in situs,
- 19 displaying to the county treasurer the registration certificate of such
- 20 other state as evidence of a change in situs, receive a refund of that
- 21 part of the unused fees and taxes on motor vehicles or trailers based on
- 22 the number of unexpired months remaining in the registration period from
- 23 the date of any of the following events:
- 24 (a) Upon transfer of ownership of any motor vehicle or trailer;
- 25 (b) In case of loss of possession because of fire, natural disaster,
- 26 theft, dismantlement, or junking;
- 27 (c) When a salvage branded certificate of title is issued pursuant
- 28 to the Branded Certificate of Title Act;
- 29 (d) Whenever a type or class of motor vehicle or trailer previously
- 30 registered is subsequently declared by legislative act or court decision
- 31 to be illegal or ineligible to be operated or towed on the public roads

- 1 and no longer subject to registration fees, the motor vehicle tax imposed
- 2 in section 60-3,185, the motor vehicle fee imposed in section 60-3,190,
- 3 and the alternative fuel fee imposed in section 60-3,191;
- 4 (e) Upon a trade-in or surrender of a motor vehicle under a lease;
- 5 or
- 6 (f) In case of a change in the situs of a motor vehicle or trailer
- 7 to a location outside of this state.
- 8 (2) If the date of the event falls within the same calendar month in
- 9 which the motor vehicle or trailer is acquired, no refund shall be
- 10 allowed for such month.
- 11 (3) If the transferor or lessee acquires another motor vehicle at
- 12 the time of the transfer, trade-in, or surrender, the transferor or
- 13 lessee shall have the credit provided for in this section applied toward
- 14 payment of the motor vehicle fees and taxes then owing. Otherwise, the
- 15 transferor or lessee shall file a claim for refund with the county
- 16 treasurer upon an application form prescribed by the department.
- 17 (4) The registered owner or lessee shall make a claim for refund or
- 18 credit of the fees and taxes for the unexpired months in the registration
- 19 period within sixty days after the date of the event or shall be deemed
- 20 to have forfeited his or her right to such refund or credit.
- (5) For purposes of this section, the date of the event shall be:
- 22 (a) In the case of a transfer or loss, the date of the transfer or loss;
- 23 (b) in the case of a change in the situs, the date of registration in
- 24 another state; (c) in the case of a trade-in or surrender under a lease,
- 25 the date of trade-in or surrender; (d) in the case of a legislative act,
- 26 the effective date of the act; and (e) in the case of a court decision,
- 27 the date the decision is rendered.
- 28 (6) Application for registration or for reassignment of license
- 29 plates and, when appropriate, validation decals to another motor vehicle
- 30 or trailer shall be made within thirty days of the date of purchase.
- 31 (7) If a motor vehicle or trailer was reported stolen under section

- 1 60-178, a refund under this section shall not be reduced for a lost plate
- 2 charge and a credit under this section may be reduced for a lost plate
- 3 charge but the applicant shall not be required to pay the plate fee for
- 4 new plates.
- 5 (8) The county treasurer shall refund the motor vehicle fee and
- 6 registration fee from the fees which have not been transferred to the
- 7 State Treasurer. The county treasurer shall make payment to the claimant
- 8 from the undistributed motor vehicle taxes of the taxing unit where the
- 9 tax money was originally distributed. No refund of less than two dollars
- 10 shall be paid.
- 11 Sec. 14. Section 60-397, Reissue Revised Statutes of Nebraska, is
- 12 amended to read:
- 13 60-397 If a motor vehicle or trailer has a salvage branded
- 14 certificate of title issued <u>pursuant to the Branded Certificate of Title</u>
- 15 Act as a result of an insurance company acquiring the motor vehicle or
- 16 trailer through a total loss settlement, the prior owner of the motor
- 17 vehicle or trailer who is a party to the settlement may receive a refund
- 18 or credit of unused fees and taxes by (1) filing an application with the
- 19 county treasurer within sixty days after the date of the settlement
- 20 stating that title to the motor vehicle or trailer was transferred as a
- 21 result of the settlement and (2) returning the registration certificate,
- 22 the license plates, and, when appropriate, the validation decals or, in
- 23 the case of the unavailability of the registration certificate, license
- 24 plates, or validation decals, filing an affidavit with the county
- 25 treasurer regarding the transfer of title due to the settlement and the
- 26 unavailability of the certificate, license plates, or validation decals.
- 27 The owner may receive a refund or credit of the registration fees and
- 28 motor vehicle taxes and fees for the unexpired months remaining in the
- 29 registration year determined based on the date when the motor vehicle or
- 30 trailer was damaged and became unavailable for service. When the owner
- 31 registers a replacement motor vehicle or trailer at the time of filing

- 1 such affidavit, the credit may be immediately applied against the
- 2 registration fee and the motor vehicle tax and fee for the replacement
- 3 motor vehicle or trailer. When no such replacement motor vehicle or
- 4 trailer is so registered, the county treasurer shall refund the unused
- 5 registration fees. If the motor vehicle or trailer was damaged and became
- 6 unavailable for service during the same month in which it was registered,
- 7 no refund or credit shall be allowed for such month. When any such motor
- 8 vehicle or trailer is reregistered within the same registration year in
- 9 which its registration has been canceled, the taxes and fees shall be
- 10 that portion of the registration fee and the motor vehicle tax and fee
- 11 for the remainder of the registration year.
- 12 Sec. 15. Section 60-3,198, Revised Statutes Cumulative Supplement,
- 13 2022, is amended to read:
- 14 60-3,198 (1)(a) Any owner engaged in operating a fleet of
- 15 apportionable vehicles in this state in interjurisdiction commerce may,
- 16 in lieu of registration of such apportionable vehicles under the general
- 17 provisions of the Motor Vehicle Registration Act, register and license
- 18 such fleet for operation in this state by filing a statement and the
- 19 application required by section 60-3,203 with the Division of Motor
- 20 Carrier Services of the department. The statement shall be in such form
- 21 and contain such information as the division requires, declaring the
- 22 total mileage operated by such vehicles in all jurisdictions and in this
- 23 state during the preceding year and describing and identifying each such
- 24 apportionable vehicle to be operated in this state during the ensuing
- 25 license period.
- 26 (b)(i) Until July 1, 2021, upon receipt of such statement and
- 27 application, the division shall determine the total fee payment, which
- 28 shall be equal to the amount of fees due pursuant to section 60-3,203 and
- 29 the amount obtained by applying the formula provided in section 60-3,204
- 30 to a fee of thirty-two dollars per ton based upon gross vehicle weight of
- 31 the empty weights of a truck or truck-tractor and the empty weights of

any trailer or combination thereof with which it is to be operated in combination at any one time plus the weight of the maximum load to be carried thereon at any one time, and shall notify the applicant of the amount of payment required to be made. Mileage operated in noncontracting reciprocity jurisdictions by apportionable vehicles based in Nebraska shall be applied to the portion of the formula for determining the Nebraska injurisdiction fleet distance.

8 (ii) Beginning July 1, 2021, and until July 1, 2025, upon receipt of such statement and application, the division shall determine the total 9 fee payment, which shall be equal to the amount of fees due pursuant to 10 section 60-3,203 and the amount obtained by applying the formula provided 11 in section 60-3,204 to a fee of thirty-five dollars per ton based upon 12 13 gross vehicle weight of the empty weights of a truck or truck-tractor and the empty weights of any trailer or combination thereof with which it is 14 to be operated in combination at any one time plus the weight of the 15 16 maximum load to be carried thereon at any one time, and shall notify the applicant of the amount of payment required to be made. Mileage operated 17 in noncontracting reciprocity jurisdictions by apportionable vehicles 18 19 based in Nebraska shall be applied to the portion of the formula for determining the Nebraska injurisdiction fleet distance. 20

(iii) Beginning July 1, 2025, upon receipt of such statement and 21 application, the division shall determine the total fee payment, which 22 23 shall be equal to the amount of fees due pursuant to section 60-3,203 and 24 the amount obtained by applying the formula provided in section 60-3,204 25 to a fee of thirty-three dollars and fifty cents per ton based upon gross vehicle weight of the empty weights of a truck or truck-tractor and the 26 empty weights of any trailer or combination thereof with which it is to 27 be operated in combination at any one time plus the weight of the maximum 28 load to be carried thereon at any one time, and shall notify the 29 applicant of the amount of payment required to be made. Mileage operated 30 in noncontracting reciprocity jurisdictions by apportionable vehicles 31

1 based in Nebraska shall be applied to the portion of the formula for

- 2 determining the Nebraska injurisdiction fleet distance.
- 3 (c) Temporary authority which permits the operation of a fleet or an
- 4 addition to a fleet in this state while the application is being
- 5 processed may be issued upon application to the division if necessary to
- 6 complete processing of the application.
- 7 (d) Upon completion of such processing and receipt of the
- 8 appropriate fees, the division shall issue to the applicant a sufficient
- 9 number of distinctive registration certificates which provide a list of
- 10 the jurisdictions in which the apportionable vehicle has been
- 11 apportioned, the weight for which registered, and such other evidence of
- 12 registration for display on the apportionable vehicle as the division
- 13 determines appropriate for each of the apportionable vehicles of his or
- 14 her fleet, identifying it as a part of an interjurisdiction fleet
- 15 proportionately registered. Such registration certificates may be
- 16 displayed as a legible paper copy or electronically as authorized by the
- 17 department. All fees received as provided in this section shall be
- 18 remitted to the State Treasurer for credit to the Motor Carrier Services
- 19 Division Distributive Fund.
- 20 (e) The apportionable vehicles so registered shall be exempt from
- 21 all further registration and license fees under the Motor Vehicle
- 22 Registration Act for movement or operation in the State of Nebraska
- 23 except as provided in section 60-3,203. The proportional registration and
- 24 licensing provision of this section shall apply to apportionable vehicles
- 25 added to such fleets and operated in this state during the license period
- 26 except with regard to permanent license plates issued under section
- 27 60-3, 203.
- 28 (f) The right of applicants to proportional registration under this
- 29 section shall be subject to the terms and conditions of any reciprocity
- 30 agreement, contract, or consent made by the division.
- 31 (g) When a nonresident fleet owner has registered his or her

- 1 apportionable vehicles, his or her apportionable vehicles shall be
- 2 considered as fully registered for both interjurisdiction and
- 3 intrajurisdiction commerce when the jurisdiction of base registration for
- 4 such fleet accords the same consideration for fleets with a base
- 5 registration in Nebraska. Each apportionable vehicle of a fleet
- 6 registered by a resident of Nebraska shall be considered as fully
- 7 registered for both interjurisdiction and intrajurisdiction commerce.
- 8 (2) Mileage proportions for interjurisdiction fleets not operated in
- 9 this state during the preceding year shall be determined by the division
- 10 upon the application of the applicant on forms to be supplied by the
- 11 division which shall show the operations of the preceding year in other
- 12 jurisdictions and estimated operations in Nebraska or, if no operations
- 13 were conducted the previous year, a full statement of the proposed method
- 14 of operation.
- 15 (3) Any owner complying with and being granted proportional
- 16 registration shall preserve the records on which the application is made
- 17 for a period of three years following the current registration period.
- 18 Upon request of the division, the owner shall make such records available
- 19 to the division at its office for audit as to accuracy of computation and
- 20 payments or pay the costs of an audit at the home office of the owner by
- 21 a duly appointed representative of the division if the office where the
- 22 records are maintained is not within the State of Nebraska. The division
- 23 may enter into agreements with agencies of other jurisdictions
- 24 administering motor vehicle registration laws for joint audits of any
- 25 such owner. All payments received to cover the costs of an audit shall be
- 26 remitted by the division to the State Treasurer for credit to the Motor
- 27 Carrier Division Cash Fund. No deficiency shall be assessed and no claim
- 28 for credit shall be allowed for any license registration period for which
- 29 records on which the application was made are no longer required to be
- 30 maintained.
- 31 (4) If the division claims that a greater amount of fee is due under

- 1 this section than was paid, the division shall notify the owner of the additional amount claimed to be due. The owner may accept such claim and 2 pay the amount due, or he or she may dispute the claim and submit to the 3 4 division any information which he or she may have in support of his or her position. If the dispute cannot otherwise be resolved within the 5 division, the owner may petition for an appeal of the matter. The 6 director shall appoint a hearing officer who shall hear the dispute and 7 issue a written decision. Any appeal shall be in accordance with the 8 9 Administrative Procedure Act. Upon expiration of the time for perfecting an appeal if no appeal is taken or upon final judicial determination if 10 an appeal is taken, the division shall deny the owner the right to 11 further registration for a fleet license until the amount finally 12 determined to be due, together with any costs assessed against the owner, 13 has been paid. 14
- (5) Every applicant who licenses any apportionable vehicles under this section and section 60-3,203 shall have his or her registration certificates issued only after all fees under such sections are paid and, if applicable, proof has been furnished of payment, in the form prescribed by the director as directed by the United States Secretary of the Treasury, of the federal heavy vehicle use tax imposed by 26 U.S.C. 4481 of the Internal Revenue Code as defined in section 49-801.01.
- (6)(a) In the event of the transfer of ownership of any registered 22 apportionable vehicle, (b) in the case of loss of possession because of 23 24 fire, natural disaster, theft, or wrecking, junking, or dismantling of 25 any registered apportionable vehicle, (c) when a salvage branded certificate of title is issued <u>pursuant to the Branded Certificate of</u> 26 <u>Title Act</u> for any registered apportionable vehicle, (d) whenever a type 27 or class of registered apportioned vehicle is subsequently declared by 28 legislative act or court decision to be illegal or ineligible to be 29 operated or towed on the public roads and no longer subject to 30 registration fees and taxes, (e) upon trade-in or surrender of a 31

1 registered apportionable vehicle under a lease, or (f) in case of a 2 change in the situs of a registered apportionable vehicle to a location outside of this state, its registration shall expire, except that if the 3 4 registered owner or lessee applies to the division after such transfer or 5 loss of possession and accompanies the application with a fee of one dollar and fifty cents, he or she may have any remaining credit of 6 vehicle fees and taxes from the previously registered apportionable 7 vehicle applied toward payment of any vehicle fees and taxes due and 8 9 owing on another registered apportionable vehicle. If such registered apportionable vehicle has a greater gross vehicle weight than that of the 10 previously registered apportionable vehicle, the registered owner or 11 lessee of the registered apportionable vehicle shall additionally pay 12 13 only the registration fee for the increased gross vehicle weight for the 14 remaining months of the registration period based on the factors determined by the division in the original fleet application. 15

16 (7) Whenever a Nebraska-based fleet owner files an application with the division to delete a registered apportionable vehicle from a fleet of 17 registered apportionable vehicles (a) because of a transfer of ownership 18 of the registered apportionable vehicle, (b) because of loss of 19 possession due to fire, natural disaster, theft, or wrecking, junking, or 20 dismantling of the registered apportionable vehicle, (c) because a 21 salvage branded certificate of title is issued pursuant to the Branded 22 23 <u>Certificate of Title Act</u> for the registered apportionable vehicle, (d) 24 because a type or class of registered apportioned vehicle is subsequently 25 declared by legislative act or court decision to be illegal or ineligible to be operated or towed on the public roads and no longer subject to 26 registration fees and taxes, (e) because of a trade-in or surrender of 27 28 the registered apportionable vehicle under a lease, or (f) because of a change in the situs of the registered apportionable vehicle to a location 29 outside of this state, the registered owner may, by returning the 30 registration certificate or certificates and such other evidence of 31

15

16

17

18

19

20

21

22

23

24

1 registration used by the division or, if such certificate or certificates or such other evidence of registration is unavailable, then by making an 2 affidavit to the division of such transfer or loss, receive a refund of 3 4 that portion of the unused registration fee based upon the number of unexpired months remaining in the registration period from the date of 5 transfer or loss. No refund shall be allowed for any fees paid under 6 section 60-3,203. When such apportionable vehicle is transferred or lost 7 within the same month as acquired, no refund shall be allowed for such 8 month. Such refund may be in the form of a credit against any 9 registration fees that have been incurred or are, at the time of the 10 refund, being incurred by the registered apportionable vehicle owner. The 11 Nebraska-based fleet owner shall make a claim for a refund under this 12 subsection within the registration period or shall be deemed to have 13 forfeited his or her right to the refund. 14

- (8) In case of addition to the registered fleet during the registration period, the owner engaged in operating the fleet shall pay the proportionate registration fee from the date the vehicle was placed into service or, if the vehicle was previously registered, the date the prior registration expired or the date Nebraska became the base jurisdiction for the fleet, whichever is first, for the remaining balance of the registration period. The fee for any permanent license plate issued for such addition pursuant to section 60-3,203 shall be the full fee required by such section, regardless of the number of months remaining in the license period.
- (9) In lieu of registration under subsections (1) through (8) of this section, the title holder of record may apply to the division for special registration, to be known as an unladen-weight registration, for any commercial motor vehicle or combination of vehicles which have been registered to a Nebraska-based fleet owner within the current or previous registration period. Such registration shall be valid only for a period of thirty days and shall give no authority to operate the vehicle except

- 1 when empty. The fee for such registration shall be twenty dollars for
- 2 each vehicle, which fee shall be remitted to the State Treasurer for
- 3 credit to the Highway Trust Fund. The issuance of such permits shall be
- 4 governed by section 60-3,179.
- 5 (10) Any person may, in lieu of registration under subsections (1)
- 6 through (8) of this section or for other jurisdictions as approved by the
- 7 director, purchase a trip permit for any nonresident truck, truck-
- 8 tractor, bus, or truck or truck-tractor combination. A trip permit shall
- 9 be issued before any person required to obtain a trip permit enters this
- 10 state with such vehicle. The trip permit shall be issued by the director
- 11 through Internet sales from the department's website. The trip permit
- 12 shall be valid for a period of seventy-two hours. The fee for the trip
- 13 permit shall be twenty-five dollars for each truck, truck-tractor, bus,
- or truck or truck-tractor combination. The fee collected by the director
- 15 shall be remitted to the State Treasurer for credit to the Highway Cash
- 16 Fund.
- 17 Sec. 16. Section 60-1508, Reissue Revised Statutes of Nebraska, is
- 18 amended to read:
- 19 60-1508 (1) It is the intent of the Legislature that the Department
- 20 of Motor Vehicles maintain and further improve the Vehicle Title and
- 21 Registration System which is the statewide system for the collection,
- 22 storage, and transfer of data on vehicle titles and registrations as
- 23 described in section 60-1505.
- 24 (2) The department shall provide for technological updates to
- 25 electronic certificates of title. The Director of Motor Vehicles shall
- 26 designate an implementation date for the updates which date is on or
- 27 before January 1, 2021.
- 28 (3) The department shall provide for an electronic reporting system
- 29 for salvage and junked motorboats and vehicles. The director shall
- 30 designate an implementation date for the system which date is on or
- 31 before January 1, 2021.

- 1 (4) The department shall provide for the use of identification
- 2 numbers for trailers which do not have a certificate of title. The
- 3 director shall designate an implementation date for such use which date
- 4 is on or before January 1, 2021.
- 5 (5) The department shall provide for an electronic reporting system
- 6 <u>for structurally totaled vehicles</u>. The <u>director shall designate an</u>
- 7 implementation date for the system on or before January 1, 2025.
- 8 Sec. 17. Original sections 60-101, 60-171, 60-172, 60-174, 60-175,
- 9 60-176, 60-177, 60-385, 60-395, 60-397, and 60-1508, Reissue Revised
- 10 Statutes of Nebraska, and sections 60-146, 60-149, and 60-3,198, Revised
- 11 Statutes Cumulative Supplement, 2022, are repealed.