



**Hundredth Legislature - First Session - 2007  
Committee Statement  
LB 286**

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**Hearing Date:** January 23, 2007

**Committee On:** Transportation and Telecommunications

**Introducer(s):** (Transportation and Telecommunications Committee)

**Title:** Change the Motor Vehicle Certificate of Title Act and the Motor Vehicle Registration Act

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - X Advanced to General File with Amendments
  - Indefinitely Postponed
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**Vote Results:**

7	Yes	Senators Hudkins, Mines, Schimek, Aguilar, Loudon, Stuthman and Fischer
	No	
	Present, not voting	
1	Absent	Senator Pedersen

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**Proponents:**

Dusty Vaughan, Legal Counsel, Introducer

Beverly Neth

**Representing:**

Transportation & Telecommunications Committee

Department of Motor Vehicles

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB 286 is a clean up bill from the past recodification project to correct missed clarifications and definitions related to the Motor Vehicle Certificate of Title Act and Registration Act.

Section by Section Summary

**Section 1** amends the definition of farm trailer in the Motor Vehicle Certificate of Title Act, Chapter 60, Article 1 of the Nebraska Statutes. The section adds semitrailer to the definition of farm trailer, as semitrailers may be farmer owned and used as farm trailers. The section adds the defined term “agricultural product” to reflect what may be hauled. The section adds “or from” to recognize that the vehicle may travel both ways. The intent of these changes is to make the definition of farm trailer more accurate, without affecting substantive law or practice.

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**Section 2** amends § 60-308 to correct the definition of apportionable vehicle that was changed in error during the recodification process. This version is rewritten to clarify the types of motor vehicles and vehicles in combination that may be eligible for apportioned registration. Apportionable vehicles are registered by the Division of Motor Carrier Services pursuant to the International Registration Plan authorized by §§ 60-3,198 through 60-3,206. They are not registered at the county level.

**Section 3** amends the definition of farm trailer in the Registration Act, Chapter 60, Article 3 of the Nebraska Statutes. The section adds the same language as in Section 1 above. This section also has an additional sentence that provides that when attached to a tractor, a trailer is not a farm trailer for purposes of required vehicle registration.

**Section 4** amends § 60-355 to clean up the definition of transporter and incorporate a term defined in the Registration Act (truck-tractor) to eliminate confusion between tractors (as used in agriculture) and truck-tractors used to pull semitrailers.

**Section 5** amends § 60-356 to add language to the definition of truck to incorporate the manufacturer's designation as to whether a motor vehicle is considered a truck. Since this designation is on the manufacturer's statement of origin that is presented to a county official when a vehicle is first titled and registered, it assures that the motor vehicle is in the correct registration category.

**Section 6** amends § 60-378 to clean up the awkward language governing transporter plates that are used for motor vehicles that transport vehicles, and to use terms as defined in the statutes. It also eliminates an obsolete requirement for duplicate certificates.

**Section 7** amends § 60-385 by striking language to eliminate the requirement that a paper copy of the certificate of title or registration be presented as application for the registration. Such information is available in the VTR system. Removal of the paper process will allow DMV to maintain a registration application process that can be adjusted to technological developments.

**Section 8** amends § 60-387 by adding a sentence to clarify that the word fleet as used in this statute, for purposes of showing proof of financial responsibility, refers to motor vehicles such as fleets of rental cars. Fleet in this case is not as used in §§ 60-329 and 60-3,198 which applies to apportionable vehicles in interstate commerce which are registered through the DMV's Division of Motor Carrier Services pursuant to IRP. Section 8 applies only to motor vehicles registered at the county level.

**Section 9** amends § 60-3,104 to clean up the language that lists plate types to make sure that the correct defined term, commercial motor vehicle, from the definitions in Chapter 60, Article 3 is used, and corrects some internal section references that were missed during recodification. The change in subsection 12 cleans up an awkward description of an apportionable vehicle plate type.

**Section 10** amends § 60-3,118 to use the correct defined term, commercial motor vehicle, in the statute.

**Section 11** amends § 60-3,128 to use the correct defined term, commercial motor vehicle, as in the sections above.

**Section 12** amends § 60-3,142 to add an internal reference that was omitted in the recodification process. The reference is added to make it clear that this statute only applies to fees for grain hauling permits, not all fees collected. This section and section 60-3,112 were originally one statute and were separated as part of the recodification project.

**Section 13** amends § 60-3,145 to use the correct defined term, commercial motor vehicle, as in the sections above.

**Section 14** amends § 60-3,147 to use the correct defined term, commercial motor vehicle, as in the sections above. In addition, language is added to clarify that this section does not apply to motor vehicles and trailers registered through IRP. In subsection (4)(b), “agricultural products” replaces the string of commodities listed. Agricultural products is a defined term which includes the items now listed. Subsection (5)(c) is inserted to make it clear that a registrant, who opts to pay in half years, must pay the whole year of fees before the vehicle can be registered the following year.

**Section 15** amends § 60-3,150 to use the correct defined term, commercial motor vehicle, as in the sections above.

**Section 16** repeals the original sections.

**Explanation of amendments, if any:**

The committee amendment, AM178, replaces the bill. The amendment combines LB 286 with LB 287. LB 287 makes substantive changes to the motor vehicle titling and registration process. In addition to the changes made in LB 286 described above, LB 287 makes the following modifications:

**Section 4** amends § 60-117 to make the historical vehicle statutes consistent. It clarifies that an historical vehicle is a motor vehicle or trailer that is thirty or more years old. This change harmonizes the historical vehicle definition in the law consistent with the provisions of § 60-3,130 that require a vehicle to be thirty years old to be eligible for historical vehicle registration.

**Section 5** includes a new definition for low speed vehicle. This is intended to capture vehicle types meeting the new definition that cannot be titled or registered for operation on the highways. These are not motor vehicles as defined in §§ 60-123 and 60-339. The definition follows federal law found at 49 CFR 571.

**Section 6** amends § 60-123 by inserting low speed vehicles as an exception to a defined motor vehicle.

**Section 7** amends § 60-134 and the definition of truck to include designation as a truck by the manufacturer. Manufacturers are not consistent about the labels they put on the manufacturer's statement of origin identifying the vehicle types. Two similar vehicles (i.e. a Ford Explorer and a Chevy Avalanche) are identified differently by the manufacturers.

**Section 8** adds a new definition for vehicle identification number, also referred to as a VIN to mean a series of English letters or Arabic or Roman numerals assigned to a vehicle for identification purposes.

**Section 9** amends § 60-137 to exempt low speed vehicles from the requirements of the Certificate of Title act.

**Section 10** amends § 60-145 by adding limousine to make it clear that these motor vehicles fit in the same title category as taxis since they are vehicles that have similar uses.

**Section 11** amends § 60-146 by inserting new language that states no identification inspection shall be conducted unless all major component parts are properly attached to the vehicle in the correct location. The section also authorizes the designated government official to request an identification inspection of a vehicle to determine if it meets the definition of a motor vehicle.

**Section 12** amends § 60-152 to eliminate obsolete language referring to refiling of a title. The Vehicle Title and Registration system (VTR) retains title information and makes this unnecessary.

**Section 13** amends § 60-153 by inserting new language to codify long-standing practice that titles are not accepted if altered. A certificate of title shall include the words "void if altered." The language also specifies that an altered title will be treated as a mutilated title.

**Section 14** amends § 60-164 to clarify that the department, county clerk or designated county official may recall any title for notation of another lien.

**Section 15** amends § 60-166 by deleting language that requires titles to be issued in a specific county. The VTR system allows for motor vehicle title information availability in all counties.

**Section 16** amends § 60-168 by replacing the word destroyed with the word mutilated. Mutilated title is the correct "term of art" used to refer to titles that are not usable because of an alteration or destruction. The section also provides for issuance of a duplicate title when a title is lost or mutilated.

**Section 17** adds new language that authorizes the department to recall a title upon failure to note a lien or brand upon issuance of the title. The titleholder has fifteen days to turn the title to the county clerk or official for correction. It allows the department to cancel a title if the titleholder does not return the title for correction. This section applies to recall of titles that were not correctly issued.

**Section 18** amends § 60-173 to give all owners thirty days to obtain a salvage title, regardless of the type of vehicle involved. The amendment resolves a difference between the salvage laws governing motor vehicles, as opposed to ATVs and minibikes. Currently the law requires the owner of an ATV or minibike to obtain a salvage title in ten days, but a motor vehicle owner has thirty days.

**Section 23** amends § 60-325 to clarify that a sport utility vehicle is eligible to be registered as a farm truck. There is also a correction of language that replaces the word service with services.

**Section 24** amends § 60-333 by inserting into the definition of historical vehicle a vehicle or trailer which is thirty or more years old. This is the same change as in section 4 above, and is done to harmonize the statutes.

**Section 25** adds a new definition of low-speed vehicle. This new section is the same as section 5 above defining low speed vehicle, except applies to the Registration Act instead of the Certificate of Title act.

**Section 26** amends § 60-339 by making the same changes as in section 6, 9, and 25, reflecting that low speed vehicles are not a motor vehicle by definition. In addition, an amendment also corrects an internal reference that was missed during recodification.

**Section 27** amends § 60-345 by changing the definition of passenger vehicle to clarify that an SUV may be registered with regular passenger car plates as described in § 60-3,104(21).

**Section 28** adds a new definition of sport utility vehicle for the Motor Vehicle Registration Act.

**Section 34** amends § 60-395 to provide for refunds of unused motor vehicle taxes and registration fees upon transfer of ownership, loss of possession because of fire, theft, dismantlement, or junking, when a salvage branded certificate of title is issued, when a legislative act declares a type or class of vehicle or trailer illegal, upon a trade-in or surrender under a lease, or in case of a change in the situs of the motor vehicle. Currently there is one refund statute for taxes and another one for registration fees. This section joins the two statutes dealing with refunds into one for clarification purposes.

**Section 35** amends § 60-397 by increasing the time an owner has to file an application for credit for unused taxes and fees from thirty days to sixty following a settlement for a total loss salvage vehicle and also allows a refund to be issued. The vehicle owner will have the choice of requesting a refund or applying a credit for unused fees and taxes to another vehicle. The section also strikes a requirement that the State Treasurer determine the amount of credit as this is really accomplished through the VTR system

**Section 37** amends § 60-3,107 to require the description of tax exempt license plates so the statute matches the language that is on the plate. The requirement is also removed that the words tax exempt be at the bottom of the plate so plate design is less restrictive.

**Section 38** amends § 60-3,118 to extend issuance of personalized message plates to trailers, semi-trailers, and trucks over ten tons registered at the county level.

**Sections 39, 40, 41, 42, 43 and 44** amends §§ 60-3,122 to 60-3,126 and § 60-3,128 to allow a person from another state that owns a motor vehicle or trailer required to be registered in Nebraska to obtain statutorily created specialty license plates so long as other qualifications are met. The section also extends the issuance of these specialty plates to semi-trailers and cabin trailers registered at the county level, but not motor vehicles and trailers registered as part of a fleet of apportionable vehicles.

**Section 45** amends § 60-3,130.04 to clarify that specialty plates and message plates may not be used for purposes of historical vehicle registration. Historical vehicle plates are permanent issue. Using numbered specialty plates for historical vehicle registration will lead to duplication of plate numbers for various plate types and there could also be duplicate messages on an old plate and a currently issued message plate.

**Section 46** amends § 60-3,141 to make it clear that collection of motor vehicle taxes and registration fees by county treasurers or officials also applies to motor vehicle fees. The change simply reflects the actual practice. Additional language also clarifies the correct deposit of the various fees and taxes to the Motor Vehicle Fee Fund and the Highway Trust Fund.

**Section 49** amends § 60-3,147 by replacing some vehicle references with defined terms from the Registration Act so that vehicle references are consistent throughout the Certificate of Title and Motor Vehicle Registration Acts. Subsection (5)(c) is added to make it clear that a registrant, who opts to pay in half years, must pay the whole year of fees before the vehicle can be registered the following year.

**Section 52** amends § 60-3,186 to eliminate an obsolete requirement for a prenumbered form.

**Section 53** amends § 60-3,188 to require the department to determine vehicle identification numbers using commercially available electronic information. This change is made to reflect that vehicle identification numbers are used to determine vehicle type for purposes of valuation. Obsolete language is deleted requiring the department to send a copy of the valuation information to the counties. This process is now completed electronically through the VTR system.

**Section 54** amends § 60-3,190 to eliminate an obsolete requirement for a prenumbered form.

**Section 56** outright repeals §§ 60-157 and 60-3,191.

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**Senator Deb Fischer, Chairperson**