

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 643**

Introduced by Krist, 10.

Read first time January 18, 2017

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 44-6408,  
2 60-346, 60-509, 60-534, and 60-549, Reissue Revised Statutes of  
3 Nebraska, and sections 60-310 and 60-501, Revised Statutes  
4 Cumulative Supplement, 2016; to change liability insurance and  
5 financial responsibility requirements; to provide an operative date;  
6 and to repeal the original sections.

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

1 Section 1. Section 44-6408, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 44-6408 (1) No policy insuring against liability imposed by law for  
4 bodily injury, sickness, disease, or death suffered by a natural person  
5 arising out of the ownership, operation, maintenance, or use of a motor  
6 vehicle within the United States, its territories or possessions, or  
7 Canada shall be delivered, issued for delivery, or renewed with respect  
8 to any motor vehicle principally garaged in this state unless coverage is  
9 provided for the protection of persons insured who are legally entitled  
10 to recover compensatory damages for bodily injury, sickness, disease, or  
11 death from (a) the owner or operator of an uninsured motor vehicle in  
12 limits of fifty ~~twenty-five~~ thousand dollars because of bodily injury,  
13 sickness, disease, or death of one person in any one accident and,  
14 subject to such limit for one person, one hundred ~~fifty~~ thousand dollars  
15 because of bodily injury, sickness, disease, or death of two or more  
16 persons in any one accident, and (b) the owner or operator of an  
17 underinsured motor vehicle in limits of fifty ~~twenty-five~~ thousand  
18 dollars because of bodily injury, sickness, disease, or death of one  
19 person in any one accident and, subject to such limit for one person, one  
20 hundred ~~fifty~~ thousand dollars because of bodily injury, sickness,  
21 disease, or death of two or more persons in any one accident.

22 (2) At the written request of the named insured, the insurer shall  
23 provide higher limits of uninsured and underinsured motorist coverages in  
24 accordance with its rating plan and rules, except that in no event shall  
25 the insurer be required to provide limits higher than one hundred  
26 thousand dollars per person and three hundred thousand dollars per  
27 accident.

28 (3) After purchase of uninsured and underinsured motorist coverages,  
29 no insurer or any affiliated insurer shall be required to notify any  
30 policyholder in any renewal, reinstatement, substitute, amended, altered,  
31 modified, transfer, or replacement policy as to the availability of

1 optional limits of such coverages. The named insured may, subject to the  
2 limitations of this section, make a written request for additional  
3 coverage or coverage more extensive than that provided in a prior policy.

4 Sec. 2. Section 60-310, Revised Statutes Cumulative Supplement,  
5 2016, is amended to read:

6 60-310 Automobile liability policy means liability insurance written  
7 by an insurance carrier duly authorized to do business in this state  
8 protecting other persons from damages for liability on account of  
9 accidents occurring subsequent to the effective date of the insurance  
10 arising out of the ownership of a motor vehicle (1) in the amount of  
11 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death  
12 of one person in any one accident, (2) subject to the limit for one  
13 person, in the amount of one hundred ~~fifty~~ thousand dollars because of  
14 bodily injury to or death of two or more persons in any one accident, and  
15 (3) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury  
16 to or destruction of property of other persons in any one accident. An  
17 automobile liability policy shall not exclude, limit, reduce, or  
18 otherwise alter liability coverage under the policy solely because the  
19 injured person making a claim is the named insured in the policy or  
20 residing in the household with the named insured.

21 Sec. 3. Section 60-346, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 60-346 Proof of financial responsibility means evidence of ability  
24 to respond in damages for liability, on account of accidents occurring  
25 subsequent to the effective date of such proof, arising out of the  
26 ownership, maintenance, or use of a motor vehicle, (1) in the amount of  
27 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death  
28 of one person in any one accident, (2) subject to such limit for one  
29 person, in the amount of one hundred ~~fifty~~ thousand dollars because of  
30 bodily injury to or death of two or more persons in any one accident, and  
31 (3) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury

1 to or destruction of property of others in any one accident.

2 Sec. 4. Section 60-501, Revised Statutes Cumulative Supplement,  
3 2016, is amended to read:

4 60-501 For purposes of the Motor Vehicle Safety Responsibility Act,  
5 unless the context otherwise requires:

6 (1) Department means Department of Motor Vehicles;

7 (2) Golf car vehicle means a vehicle that has at least four wheels,  
8 has a maximum level ground speed of less than twenty miles per hour, has  
9 a maximum payload capacity of one thousand two hundred pounds, has a  
10 maximum gross vehicle weight of two thousand five hundred pounds, has a  
11 maximum passenger capacity of not more than four persons, and is designed  
12 and manufactured for operation on a golf course for sporting and  
13 recreational purposes;

14 (3) Judgment means any judgment which shall have become final by the  
15 expiration of the time within which an appeal might have been perfected  
16 without being appealed, or by final affirmation on appeal, rendered by a  
17 court of competent jurisdiction of any state or of the United States, (a)  
18 upon a cause of action arising out of the ownership, maintenance, or use  
19 of any motor vehicle for damages, including damages for care and loss of  
20 services, because of bodily injury to or death of any person or for  
21 damages because of injury to or destruction of property, including the  
22 loss of use thereof, or (b) upon a cause of action on an agreement of  
23 settlement for such damages;

24 (4) License means any license issued to any person under the laws of  
25 this state pertaining to operation of a motor vehicle within this state;

26 (5) Low-speed vehicle means a four-wheeled motor vehicle (a) whose  
27 speed attainable in one mile is more than twenty miles per hour and not  
28 more than twenty-five miles per hour on a paved, level surface, (b) whose  
29 gross vehicle weight rating is less than three thousand pounds, and (c)  
30 that complies with 49 C.F.R. part 571, as such part existed on January 1,  
31 2016;

1           (6) Minitruck means a foreign-manufactured import vehicle or  
2 domestic-manufactured vehicle which (a) is powered by an internal  
3 combustion engine with a piston or rotor displacement of one thousand  
4 five hundred cubic centimeters or less, (b) is sixty-seven inches or less  
5 in width, (c) has a dry weight of four thousand two hundred pounds or  
6 less, (d) travels on four or more tires, (e) has a top speed of  
7 approximately fifty-five miles per hour, (f) is equipped with a bed or  
8 compartment for hauling, (g) has an enclosed passenger cab, (h) is  
9 equipped with headlights, taillights, turnsignals, windshield wipers, a  
10 rearview mirror, and an occupant protection system, and (i) has a four-  
11 speed, five-speed, or automatic transmission;

12           (7) Motor vehicle means any self-propelled vehicle which is designed  
13 for use upon a highway, including trailers designed for use with such  
14 vehicles, minitrucks, and low-speed vehicles. Motor vehicle does not  
15 include (a) mopeds as defined in section 60-637, (b) traction engines,  
16 (c) road rollers, (d) farm tractors, (e) tractor cranes, (f) power  
17 shovels, (g) well drillers, (h) every vehicle which is propelled by  
18 electric power obtained from overhead wires but not operated upon rails,  
19 (i) electric personal assistive mobility devices as defined in section  
20 60-618.02, (j) off-road designed vehicles, including, but not limited to,  
21 golf car vehicles, go-carts, riding lawnmowers, garden tractors, all-  
22 terrain vehicles and utility-type vehicles as defined in section  
23 60-6,355, minibikes as defined in section 60-636, and snowmobiles as  
24 defined in section 60-663, and (k) bicycles as defined in section 60-611;

25           (8) Nonresident means every person who is not a resident of this  
26 state;

27           (9) Nonresident's operating privilege means the privilege conferred  
28 upon a nonresident by the laws of this state pertaining to the operation  
29 by him or her of a motor vehicle or the use of a motor vehicle owned by  
30 him or her in this state;

31           (10) Operator means every person who is in actual physical control

1 of a motor vehicle;

2 (11) Owner means a person who holds the legal title of a motor  
3 vehicle, or in the event (a) a motor vehicle is the subject of an  
4 agreement for the conditional sale or lease thereof with the right of  
5 purchase upon performance of the conditions stated in the agreement and  
6 with an immediate right of possession vested in the conditional vendee or  
7 lessee or (b) a mortgagor of a vehicle is entitled to possession, then  
8 such conditional vendee or lessee or mortgagor shall be deemed the owner  
9 for the purposes of the act;

10 (12) Person means every natural person, firm, partnership, limited  
11 liability company, association, or corporation;

12 (13) Proof of financial responsibility means evidence of ability to  
13 respond in damages for liability, on account of accidents occurring  
14 subsequent to the effective date of such proof, arising out of the  
15 ownership, maintenance, or use of a motor vehicle, (a) in the amount of  
16 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death  
17 of one person in any one accident, (b) subject to such limit for one  
18 person, in the amount of one hundred ~~fifty~~ thousand dollars because of  
19 bodily injury to or death of two or more persons in any one accident, and  
20 (c) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury  
21 to or destruction of property of others in any one accident;

22 (14) Registration means registration certificate or certificates and  
23 registration plates issued under the laws of this state pertaining to the  
24 registration of motor vehicles;

25 (15) State means any state, territory, or possession of the United  
26 States, the District of Columbia, or any province of the Dominion of  
27 Canada; and

28 (16) The forfeiture of bail, not vacated, or of collateral deposited  
29 to secure an appearance for trial shall be regarded as equivalent to  
30 conviction of the offense charged.

31 Sec. 5. Section 60-509, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2           60-509 No such policy or bond shall be effective under section  
3 60-508 unless issued by an insurance company or surety company authorized  
4 to do business in this state, except that if such motor vehicle was not  
5 registered in this state or was a motor vehicle which was registered  
6 elsewhere than in this state at the effective date of a policy or bond or  
7 the most recent renewal thereof, such policy or bond shall not be  
8 effective under section 60-508 unless the insurance company or surety  
9 company, if not authorized to do business in this state, shall execute an  
10 acknowledgment that the company shall be amenable to process issued by a  
11 court of this state in any action upon such policy or bond arising out of  
12 such accident. Every such policy or bond is subject, if the accident has  
13 resulted in bodily injury, sickness, disease, or death, to a limit,  
14 exclusive of interest and costs, of not less than fifty ~~twenty-five~~  
15 thousand dollars because of bodily injury to or death of one person in  
16 any one accident and, subject to such limit for one person, to a limit of  
17 not less than one hundred ~~fifty~~ thousand dollars because of bodily injury  
18 to or death of two or more persons in any one accident and, if the  
19 accident has resulted in injury to or destruction of property, to a limit  
20 of not less than fifty ~~twenty-five~~ thousand dollars because of injury to  
21 or destruction of property of others in any one accident. Upon receipt of  
22 a notice of such accident, the insurance company or surety company which  
23 issued such policy or bond shall furnish, for filing with the department,  
24 a written notice that such policy or bond was in effect at the time of  
25 such accident.

26           Sec. 6. Section 60-534, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28           60-534 Such motor vehicle liability policy shall (1) designate by  
29 explicit description or by appropriate reference all motor vehicles with  
30 respect to which coverage is thereby to be granted and (2) insure the  
31 person named therein and any other person, as insured, using any such

1 motor vehicle or motor vehicles with the express or implied permission of  
2 such named insured, against loss from the liability imposed by law for  
3 damages arising out of the ownership, maintenance, or use of such motor  
4 vehicle or motor vehicles within the United States of America or the  
5 Dominion of Canada, subject to limits exclusive of interest and costs,  
6 with respect to each such motor vehicle as follows: ~~Fifty Twenty-five~~  
7 thousand dollars because of bodily injury to or death of one person in  
8 any one accident and, subject to such limit for one person, one hundred  
9 ~~fifty~~ thousand dollars because of bodily injury to or death of two or  
10 more persons in any one accident, and ~~fifty twenty-five~~ thousand dollars  
11 because of injury to or destruction of property of others in any one  
12 accident.

13 Sec. 7. Section 60-549, Reissue Revised Statutes of Nebraska, is  
14 amended to read:

15 60-549 Proof of financial responsibility may be evidenced by the  
16 certificate of the State Treasurer that the person named in the  
17 certificate has deposited with him or her an amount equal to the sum of  
18 the amounts specified in subdivisions (13)(b) and (c) of section 60-501  
19 ~~seventy-five thousand dollars~~ per vehicle in cash or securities such as  
20 may legally be purchased by savings banks or for trust funds of a market  
21 value of such amount ~~seventy-five thousand dollars~~. The State Treasurer  
22 shall not accept any such deposit and issue a certificate therefor and  
23 the department shall not accept such certificate unless it is accompanied  
24 by evidence that there are no unsatisfied judgments of any character  
25 against the depositor in the county where the depositor resides.

26 Sec. 8. This act becomes operative on January 1, 2018.

27 Sec. 9. Original sections 44-6408, 60-346, 60-509, 60-534, and  
28 60-549, Reissue Revised Statutes of Nebraska, and sections 60-310 and  
29 60-501, Revised Statutes Cumulative Supplement, 2016, are repealed.