

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 397

Introduced by Bostelman, 23.

Read first time January 14, 2021

Committee: Judiciary

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-301
2 and 60-2907, Revised Statutes Cumulative Supplement, 2020; to
3 prohibit certain causes of action by motorists without insurance or
4 financial responsibility or motorists convicted of driving under the
5 influence or refusal to test; to require the Department of Motor
6 Vehicles to establish and maintain an online verification system for
7 accessing certain private passenger motor vehicle insurance
8 information; to authorize a disclosure under the Uniform Motor
9 Vehicle Records Disclosure Act; and to repeal the original sections.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) On and after the effective date of this act, any
2 person who, at the time of an automobile accident resulting in injuries
3 to that person, is operating a motor vehicle without insurance or other
4 financial responsibility in violation of section 60-3,167, shall have no
5 cause of action for recovery of noneconomic damages sustained as a result
6 of such accident. This section does not apply and a cause of action for
7 noneconomic damages may be maintained if a court finds, by clear and
8 convincing evidence, that the person bringing the cause of action did not
9 knowingly at the time of the accident operate a motor vehicle that was in
10 violation of section 60-3,167. This section does not apply to any person
11 who at the time of an automobile accident has failed to maintain such
12 insurance or other financial responsibility for a period of forty-five
13 days or less and who had complied with the act for at least one year
14 immediately prior to operating a motor vehicle in violation of the act.

15 (2) On and after the effective date of this act, any person who is
16 convicted of, or pleads guilty to, a violation of section 60-6,196 or
17 60-6,197 or a similar violation of law in another state or an ordinance
18 of any city in connection with an accident shall have no cause of action
19 for recovery of noneconomic damages sustained as a result of such
20 accident.

21 (3) For purposes of this section, noneconomic damages means
22 subjective, nonmonetary losses, including, but not limited to, pain,
23 suffering, inconvenience, mental suffering, emotional distress, loss of
24 society and companionship, loss of consortium, injury to reputation, and
25 humiliation, but does not include economic damages.

26 Sec. 2. Section 60-301, Revised Statutes Cumulative Supplement,
27 2020, is amended to read:

28 60-301 Sections 60-301 to 60-3,254 and section 3 of this act shall
29 be known and may be cited as the Motor Vehicle Registration Act.

30 Sec. 3. (1) The department, using the motor vehicle insurance data
31 base created in section 60-3,136, shall establish and maintain an online

1 verification system for accessing private passenger motor vehicle
2 insurance or financial responsibility information required for motor
3 vehicles under section 60-3,167.

4 (2) The online verification system shall be accessible through the
5 Internet or a similar proprietary or common carrier electronic system by
6 authorized personnel of the department, the courts, law enforcement
7 personnel, any other entities authorized by the department, and insurers
8 authorized by the Department of Insurance to issue the insurance or other
9 financial responsibility required by section 60-3,167.

10 (3) The online verification system shall be available twenty-four
11 hours per day seven days per week to verify the insurance status of any
12 motor vehicle registered for private use in this state through the
13 vehicle's identification number, motor vehicle insurance policy number,
14 registered owner's name, or other identifying characteristic or marker as
15 prescribed by the Department of Motor Vehicles in rules and regulations.

16 (4) The online verification system shall be installed and
17 operational on an implementation date designated by the director, but no
18 later than July 1, 2025, following an appropriate testing period.

19 (5) The department may contract with a private vendor to assist in
20 establishing and maintaining the online verification system, which may
21 include a data base of information reported to the department by insurers
22 or may provide for direct inquiry of insurers' records by authorized
23 personnel of the department.

24 (6) An insurer authorized to issue a private passenger motor vehicle
25 insurance policy in this state shall cooperate with the department in
26 establishing and maintaining the verification system and shall provide
27 access to motor vehicle insurance policy status information for every
28 motor vehicle insured by the insurer in this state.

29 (7) Each insurer shall, at the end of each business day, submit to
30 the department a record of each private passenger motor vehicle insurance
31 policy in effect for motor vehicles registered or garaged in this state

1 as of the date of such submission.

2 (8) The verification system shall include appropriate provisions,
3 consistent with industry standards, to secure its data against
4 unauthorized access and to maintain a record of all information requests.

5 Sec. 4. Section 60-2907, Revised Statutes Cumulative Supplement,
6 2020, is amended to read:

7 60-2907 The department and any officer, employee, agent, or
8 contractor of the department having custody of a motor vehicle record
9 shall, upon the verification of identity and purpose of a requester,
10 disclose and make available the requested motor vehicle record, including
11 the personal information in the record, for the following purposes:

12 (1) For use by any federal, state, or local governmental agency,
13 including any court or law enforcement agency, in carrying out the
14 agency's functions or by a private person or entity acting on behalf of a
15 governmental agency in carrying out the agency's functions;

16 (2) For use in connection with matters of motor vehicle or driver
17 safety and theft; motor vehicle emissions; motor vehicle product
18 alterations, recalls, or advisories; performance monitoring of motor
19 vehicles, motor vehicle parts, and dealers; motor vehicle market research
20 activities, including survey research; and removal of nonowner records
21 from the original owner records of motor vehicle manufacturers;

22 (3) For use in the normal course of business by a legitimate
23 business or its agents, employees, or contractors but only:

24 (a) To verify the accuracy of personal information submitted by the
25 individual to the business or its agents, employees, or contractors; and

26 (b) If such information as so submitted is not correct or is no
27 longer correct, to obtain the correct information, but only for the
28 purposes of preventing fraud by, pursuing legal remedies against, or
29 recovering on a debt or security interest against, the individual;

30 (4) For use in connection with any civil, criminal, administrative,
31 or arbitral proceeding in any federal, state, or local court or

1 governmental agency or before any self-regulatory body, including service
2 of process, investigation in anticipation of litigation, and execution or
3 enforcement of judgments and orders, or pursuant to an order of a
4 federal, state, or local court, an administrative agency, or a self-
5 regulatory body;

6 (5) For use in research activities, and for use in producing
7 statistical reports, so long as the personal information is not
8 published, redisclosed, or used to contact individuals;

9 (6) For use by any insurer or insurance support organization, or by
10 a self-insured entity, or its agents, employees, or contractors, in
11 connection with claims investigation activities, anti-fraud activities,
12 rating, ~~or~~ underwriting, or to carry out the purposes of the online
13 verification system under section 3 of this act;

14 (7) For use in providing notice to the owners of abandoned, towed,
15 or impounded vehicles;

16 (8) For use only for a purpose permitted under this section either
17 by a private detective, plain clothes investigator, or private
18 investigative agency licensed under sections 71-3201 to 71-3213;

19 (9) For use by an employer or the employer's agent or insurer to
20 obtain or verify information relating to a holder of a commercial
21 driver's license or CLP-commercial learner's permit that is required
22 under the Commercial Motor Vehicle Safety Act of 1986, 49 U.S.C. 31301 et
23 seq., or pursuant to sections 60-4,132 and 60-4,141;

24 (10) For use in connection with the operation of private toll
25 transportation facilities;

26 (11) For bulk distribution for surveys of, marketing to, or
27 solicitations of persons who have expressly consented to such disclosure
28 if the requester has obtained the notarized written consent of the
29 individual who is the subject of the personal information being requested
30 and has provided proof of receipt of such written consent to the
31 department or an officer, employee, agent, or contractor of the

1 department on a form prescribed by the department;

2 (12) For any use if the requester has obtained the notarized written
3 consent of the individual who is the subject of the personal information
4 being requested and has provided proof of receipt of such written consent
5 to the department or an officer, employee, agent, or contractor of the
6 department;

7 (13) For use, including redisclosure through news publication, of a
8 member of a medium of communication as defined in section 20-145 who
9 requests such information in connection with preparing, researching,
10 gathering, or confirming news information involving motor vehicle or
11 driver safety or motor vehicle theft;

12 (14) For use by the federally designated organ procurement
13 organization for Nebraska to establish and maintain the Donor Registry of
14 Nebraska as provided in section 71-4822;

15 (15) For use to fulfill the requirements of the electronic dealer
16 services system pursuant to section 60-1507; and

17 (16) For any other use specifically authorized by law that is
18 related to the operation of a motor vehicle or public safety.

19 Sec. 5. Original sections 60-301 and 60-2907, Revised Statutes
20 Cumulative Supplement, 2020, are repealed.