

Revised to reflect AM213.

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB490 as amended by AM213 would modify Nebraska §60-137 (3) to give the owners of utility trailers the ability to apply for a certificate of title upon compliance with the Motor Vehicle Certificate of Title Act. Commencing January 1, 2026, owners of self-propelled agricultural equipment designed exclusively for carrying or applying fertilizer, chemicals, ag products, and implements used primarily for soil preparation, crop harvesting, or livestock feeding; and owners of power unit hay grinders or combinations of power units and hay grinders when operated without cargo, may apply for a certificate of title upon compliance with the act.

Additionally, this bill, as amended, would add a new section of statute to the Motor Vehicle Certificate of Title Act, that adds a definition of a "device" (as it pertains to the security interests in this statute) to signify the trailers, self-propelled agricultural equipment, and power unit hay grinders or power unit/hay grinder combo units. LB490 declares that:

- 1) A finalized security interest in a device according to Article 9 of the Uniform Commercial Code (UCC) before, on, or after January 1, 2026, will remain finalized until either
 - (a) The financing statement that perfects the security interest is terminated or lapses due to the absence of a filed continuation statement under Article 9 of the UCC; or
 - (b) A certificate of title is issued and a lien is noted for the device as described in Nebraska §60-164.
- 2) Any lien noted on either the certificate of title or an electronic certificate of title record for the device under subsections (2), (4), or (5) of this section, on behalf of a security interest holder that was previously finalized under Article 9 of the UCC, will have priority from the date the security interest was originally finalized.
- 3) Upon request, the holder of a certificate of title for a device must surrender the certificate to the holder of a previously finalized security interest in the device; to allow for the notation of a lien on the certificate of title or on an electronic record. Also, the title holder must perform any other actions necessary for this notation.
- 4) If the device's owner, subject to a security interest finalized under Article 9 of the UCC, fails or refuses to obtain a certificate of title after January 1, 2026, then the security interest holder can obtain a certificate of title in the owner's name, by following the procedures in Nebraska §60-144; and then have a lien noted on the certificate or its electronic record as per Nebraska §60-164.
- 5) The assignment, release, or satisfaction of a security interest in a device will be governed by the laws under which it was finalized.

Expenditures:

The Nebraska Department of Motor Vehicles (DMV) has indicated they would likely incur an increase in programming modifications to their computer systems. The agency should be able to perform these duties with their current appropriation.

There is no basis to disagree with the DMV's estimation of fiscal impact.

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Motor Vehicles

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Date Prepared: ⁽⁴⁾ May 13, 2025

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

There are possible programming changes to existing systems as a result of this amendment. These changes will be absorbed withing existing agency appropriations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2025-26	2026-27
	25-26	26-27	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				