

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

January 28, 1999 LB 228

dissenting votes. What this is, is a response to a ruling of a Douglas County District Court case which held that a party who had acquired a title, a new title on a used vehicle, received a title which the clerk erroneously forgot to place on the title the word "salvage". So the party received a title which had previously had the notation of "salvage", received a title without that notation, and so the subsequent purchaser of the vehicle, when they looked at the title, thought they were getting the title of a car that was not a salvage vehicle, and in that sense were misled by a clerical or ministerial error. The court said that under the statutes, as they exist, that that person that received that title would not have any claim...any claim they could pursue, even though there had been an error, and even though they may have been damaged. In the past, before this district court decision, when those things have happened, and they do happen sometimes, it's not anyone's intent to make mistakes when they're doing paperwork, but we all know it happens. In the past, when that's happened, the person that was damaged, if they could prove they were damaged, had an actionable claim against the insurance of the official, if they could support their claim, and they would receive damages. So this would...this would basically allow a claim, based on the negligent execution of a certificate of title. Again, it is drafted so that we're talking about a ministerial duty, an administrative duty here. We're not placing any greater duty on the clerk with this bill than what they already have. It's not their job to evaluate the car, to determine whether it should be labeled as a salvage vehicle. That's not their job. Their job is to take the information from one piece of paper, which is the previous title, and place it on the next piece of paper, which is the new title. And if they do that correctly, there is absolutely no problem. Even if the first piece of paper was not correct, that's not their fault. As long as they correctly transfer the information, they would have no claim against them. It's.... I don't know if anyone feels this is technical or not. It takes a little while, I think, to think about this, to understand what the problem is and how we're trying to correct it. But, basically, we're putting in statute what the state of the law has been, but which has been given some uncertainty with this one decision which occurred a couple of years ago. And so we, basically, in the committee we had no...there were no opponents to the bill, no one coming in saying, hey, this is not