

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 288

Introduced by Bostelman, 23.

Read first time January 11, 2023

Committee: Transportation and Telecommunications

- 1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-301
2 and 60-2907, Reissue Revised Statutes of Nebraska; to require the
3 Department of Motor Vehicles to establish and maintain an online
4 verification system for accessing certain private passenger motor
5 vehicle insurance and financial responsibility information; to
6 authorize a disclosure under the Uniform Motor Vehicle Records
7 Disclosure Act; and to repeal the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 60-301, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 60-301 Sections 60-301 to 60-3,258 and section 2 of this act shall
4 be known and may be cited as the Motor Vehicle Registration Act.

5 Sec. 2. (1) The department, using the motor vehicle insurance
6 database created in section 60-3,136, shall establish and maintain an
7 online verification system for accessing private passenger motor vehicle
8 insurance or financial responsibility information required for motor
9 vehicles under section 60-3,167.

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

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

22 (4) The online verification system shall be installed and tested for
23 an appropriate period of time and become fully operational on or before
24 an implementation date designated by the director no later than July 1,
25 2027.

26 (5) The department may contract with a private vendor to assist in
27 establishing and maintaining the online verification system. Such system
28 may:

29 (a) Include a database of information reported to the department by
30 insurers; and

31 (b) Provide for direct inquiry of insurers' records by authorized

1 personnel of the department.

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

7 (7) Each insurer shall, at the end of each business day, submit to
8 the department a record of each private passenger motor vehicle insurance
9 policy in effect for motor vehicles registered or garaged in this state
10 as of the date of such submission.

11 (8) The verification system shall include appropriate provisions
12 that are consistent with industry standards in order to secure its data
13 against unauthorized access and to maintain a record of all information
14 requests.

15 Sec. 3. Section 60-2907, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 60-2907 The department and any officer, employee, agent, or
18 contractor of the department having custody of a motor vehicle record
19 shall, upon the verification of identity and purpose of a requester,
20 disclose and make available the requested motor vehicle record, including
21 the personal information in the record, for the following purposes:

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

26 (2) For use in connection with matters of motor vehicle or driver
27 safety and theft; motor vehicle emissions; motor vehicle product
28 alterations, recalls, or advisories; performance monitoring of motor
29 vehicles, motor vehicle parts, and dealers; motor vehicle market research
30 activities, including survey research; and removal of nonowner records
31 from the original owner records of motor vehicle manufacturers;

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

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

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

9 (4) For use in connection with any civil, criminal, administrative,
10 or arbitral proceeding in any federal, state, or local court or
11 governmental agency or before any self-regulatory body, including service
12 of process, investigation in anticipation of litigation, and execution or
13 enforcement of judgments and orders, or pursuant to an order of a
14 federal, state, or local court, an administrative agency, or a self-
15 regulatory body;

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

19 (6) For use by any insurer or insurance support organization, or by
20 a self-insured entity, or its agents, employees, or contractors, in
21 connection with claims investigation activities, anti-fraud activities,
22 rating, ~~or~~ underwriting, or the online verification system under section
23 2 of this act;

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

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

29 (9) For use by an employer or the employer's agent or insurer to
30 obtain or verify information relating to a holder of a commercial
31 driver's license or CLP-commercial learner's permit that is required

1 under the Commercial Motor Vehicle Safety Act of 1986, 49 U.S.C. 31301 et
2 seq., or pursuant to sections 60-4,132 and 60-4,141;

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

5 (11) For bulk distribution for surveys of, marketing to, or
6 solicitations of persons who have expressly consented to such disclosure
7 if the requester has obtained the notarized written consent of the
8 individual who is the subject of the personal information being requested
9 and has provided proof of receipt of such written consent to the
10 department or an officer, employee, agent, or contractor of the
11 department on a form prescribed by the department;

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

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

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

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

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

29 Sec. 4. Original sections 60-301 and 60-2907, Reissue Revised
30 Statutes of Nebraska, are repealed.