

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 896

Introduced by Geist, 25.

Read first time January 08, 2018

Committee: Transportation and Telecommunications

1 A BILL FOR AN ACT relating to the Department of Motor Vehicles; to amend
2 sections 37-1285, 37-1293, and 60-389, Reissue Revised Statutes of
3 Nebraska, sections 60-169 and 60-173, Revised Statutes Cumulative
4 Supplement, 2016, and sections 37-1283, 37-1285.01, 60-164,
5 60-164.01, 60-166, 60-192, 60-386, and 60-1507, Revised Statutes
6 Supplement, 2017; to change implementation dates for provisions
7 relating to electronic certificates of title for motorboats and
8 certain vehicles and the electronic dealer services system as
9 prescribed; to provide for an electronic reporting system for
10 dismantled and salvage motorboats and dismantled and salvage
11 vehicles; to provide for the use of identification numbers for
12 registering certain trailers; to harmonize provisions; to provide a
13 duty for the Revisor of Statutes; and to repeal the original
14 sections.

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

1 Section 1. Section 37-1283, Revised Statutes Supplement, 2017, is
2 amended to read:

3 37-1283 (1)(a) This subsection applies prior to the implementation
4 date designated by the Director of Motor Vehicles pursuant to subsection
5 (2) of section 13 of this act.

6 (b)(i) ~~(1)~~ In the event of the transfer of ownership of a motorboat
7 by operation of law as upon inheritance, devise, or bequest, order in
8 bankruptcy, insolvency, replevin, or execution sale, ~~(ii) (2)~~ whenever a
9 motorboat is sold to satisfy storage or repair charges or under section
10 76-1607, or ~~(iii) (3)~~ whenever repossession is had upon default in
11 performance of the terms of a chattel mortgage, trust receipt,
12 conditional sales contract, or other like agreement, ~~and upon acceptance~~
13 of an electronic certificate of title record after repossession, in
14 addition to the title requirements in this section, the county treasurer
15 of any county or the Department of Motor Vehicles, upon the surrender of
16 the prior certificate of title or the manufacturer's or importer's
17 certificate, or when that is not possible, upon presentation of
18 satisfactory proof of ownership and right of possession to the motorboat,
19 and upon payment of the fee prescribed in section 37-1287 and the
20 presentation of an application for certificate of title, may issue to the
21 applicant a certificate of title thereto.

22 (2)(a) This subsection applies beginning on the implementation date
23 designated by the director pursuant to subsection (2) of section 13 of
24 this act.

25 (b)(i) In the event of the transfer of ownership of a motorboat by
26 operation of law as upon inheritance, devise, or bequest, order in
27 bankruptcy, insolvency, replevin, or execution sale, (ii) whenever a
28 motorboat is sold to satisfy storage or repair charges or under section
29 76-1607, or (iii) whenever repossession is had upon default in
30 performance of the terms of a chattel mortgage, trust receipt,
31 conditional sales contract, or other like agreement, and upon acceptance

1 of an electronic certificate of title record after repossession, in
2 addition to the title requirements in this section, the county treasurer
3 of any county or the Department of Motor Vehicles, upon the surrender of
4 the prior certificate of title or the manufacturer's or importer's
5 certificate, or when that is not possible, upon presentation of
6 satisfactory proof of ownership and right of possession to the motorboat,
7 and upon payment of the fee prescribed in section 37-1287 and the
8 presentation of an application for certificate of title, may issue to the
9 applicant a certificate of title thereto.

10 (3) If the prior certificate of title issued for the motorboat
11 provided for joint ownership with right of survivorship, a new
12 certificate of title shall be issued to a subsequent purchaser upon the
13 assignment of the prior certificate of title by the surviving owner and
14 presentation of satisfactory proof of death of the deceased owner.

15 (4) Only an affidavit by the person or agent of the person to whom
16 possession of the motorboat has so passed, setting forth facts entitling
17 him or her to such possession and ownership, together with a copy of the
18 journal entry, court order, or instrument upon which such claim of
19 possession and ownership is founded shall be considered satisfactory
20 proof of ownership and right of possession, except that if the applicant
21 cannot produce such proof of ownership, he or she may submit to the
22 department such evidence as he or she may have and the department may
23 thereupon, if it finds the evidence sufficient, issue the certificate of
24 title or authorize any county treasurer to issue a certificate of title,
25 as the case may be. If from the records of the county treasurer or the
26 department there appear to be any liens on the motorboat, the certificate
27 of title shall comply with section 37-1282 regarding the liens unless the
28 application is accompanied by proper evidence of their satisfaction or
29 extinction.

30 Sec. 2. Section 37-1285, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 37-1285 Each owner of a motorboat and each person mentioned as owner
2 in the last certificate of title, when the motorboat is dismantled,
3 destroyed, or changed in such a manner that it loses its character as a
4 motorboat or changed in such a manner that it is not the motorboat
5 described in the certificate of title, shall surrender his or her
6 certificate of title to any county treasurer or to the Department of
7 Motor Vehicles. If the certificate of title is surrendered to a county
8 treasurer, he or she shall, with the consent of any holders of any liens
9 noted on the certificate, enter a cancellation upon the records and shall
10 notify the department of the cancellation. Beginning on the
11 implementation date designated by the Director of Motor Vehicles pursuant
12 to subsection (3) of section 13 of this act, a wrecker or salvage dealer
13 shall report electronically to the department using the electronic
14 reporting system. If the certificate is surrendered to the department, it
15 shall, with the consent of any holder of any lien noted on the
16 certificate, enter a cancellation upon its records. Upon cancellation of
17 a certificate of title in the manner prescribed by this section, the
18 county treasurer and the department may cancel and destroy all
19 certificates and all memorandum certificates in that chain of title.

20 Sec. 3. Section 37-1285.01, Revised Statutes Supplement, 2017, is
21 amended to read:

22 37-1285.01 Beginning on the implementation date designated by the
23 Director of Motor Vehicles pursuant to subsection (2) of section 13 of
24 this act ~~January 1, 2019,~~ if a motorboat certificate of title is an
25 electronic certificate of title record, upon application by an owner or a
26 lienholder and payment of the fee prescribed in section 37-1287, the
27 following changes may be made to a certificate of title electronically
28 and without printing a certificate of title:

- 29 (1) Changing the name of an owner to reflect a legal change of name;
30 (2) Removing the name of an owner with the consent of all owners and
31 lienholders; or

1 (3) Adding an additional owner with the consent of all owners and
2 lienholders.

3 Sec. 4. Section 37-1293, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 37-1293 When an insurance company acquires a salvage motorboat
6 through payment of a total loss settlement on account of damage, the
7 company shall obtain the certificate of title from the owner, surrender
8 such certificate of title to the county treasurer, and make application
9 for a salvage branded certificate of title which shall be assigned when
10 the company transfers ownership. An insurer shall take title to a salvage
11 motorboat for which a total loss settlement is made unless the owner of
12 the motorboat elects to retain the motorboat. If the owner elects to
13 retain the motorboat, the insurance company shall notify the Department
14 of Motor Vehicles of such fact in a format prescribed by the department.
15 Beginning on the implementation date designated by the Director of Motor
16 Vehicles pursuant to subsection (3) of section 13 of this act, the
17 insurance company shall report electronically to the department using the
18 electronic reporting system. The department shall immediately enter the
19 salvage brand onto the computerized record of the motorboat. The
20 insurance company shall also notify the owner of the owner's
21 responsibility to comply with this section. The owner shall, within
22 thirty days after the settlement of the loss, forward the properly
23 endorsed acceptable certificate of title to the county treasurer. The
24 county treasurer shall, upon receipt of the certificate of title, issue a
25 salvage branded certificate of title for the motorboat.

26 Sec. 5. Section 60-164, Revised Statutes Supplement, 2017, is
27 amended to read:

28 60-164 (1) The department shall implement an electronic title and
29 lien system for vehicles. The holder of a security interest, trust
30 receipt, conditional sales contract, or similar instrument regarding a
31 vehicle, or beginning on the implementation date determined by the

1 director pursuant to subsection (7) of section 60-1507 ~~January 1, 2019~~, a
2 licensed dealer, may file a lien electronically as prescribed by the
3 department. Upon receipt of an application for a certificate of title for
4 a vehicle, any lien filed electronically shall become part of the
5 electronic certificate of title record created by the county treasurer or
6 department maintained on the electronic title and lien system. If an
7 application for a certificate of title indicates that there is a lien or
8 encumbrance on a vehicle or if a lien or notice of lien has been filed
9 electronically, the department shall retain an electronic certificate of
10 title record and shall note and cancel such liens electronically on the
11 system. The department shall provide access to the electronic certificate
12 of title records for licensed dealers and lienholders who participate in
13 the system by a method determined by the director.

14 (2) Except as provided in section 60-165, the provisions of article
15 9, Uniform Commercial Code, shall never be construed to apply to or to
16 permit or require the deposit, filing, or other record whatsoever of a
17 security agreement, conveyance intended to operate as a mortgage, trust
18 receipt, conditional sales contract, or similar instrument or any copy of
19 the same covering a vehicle. Any mortgage, conveyance intended to operate
20 as a security agreement as provided by article 9, Uniform Commercial
21 Code, trust receipt, conditional sales contract, or other similar
22 instrument covering a vehicle, if such instrument is accompanied by
23 delivery of such manufacturer's or importer's certificate and followed by
24 actual and continued possession of the same by the holder of such
25 instrument or, in the case of a certificate of title, if a notation of
26 the same has been made electronically as prescribed in subsection (1) of
27 this section or by the county treasurer or department on the face of the
28 certificate of title or on the electronic certificate of title record,
29 shall be valid as against the creditors of the debtor, whether armed with
30 process or not, and subsequent purchasers, secured parties, and other
31 lienholders or claimants but otherwise shall not be valid against them,

1 except that during any period in which a vehicle is inventory, as defined
2 in section 9-102, Uniform Commercial Code, held for sale by a person or
3 corporation that is required to be licensed as provided in the Motor
4 Vehicle Industry Regulation Act and is in the business of selling such
5 vehicles, the filing provisions of article 9, Uniform Commercial Code, as
6 applied to inventory, shall apply to a security interest in such vehicle
7 created by such person or corporation as debtor without the notation of
8 lien on the certificate of title. A buyer of a vehicle at retail from a
9 dealer required to be licensed as provided in the Motor Vehicle Industry
10 Regulation Act shall take such vehicle free of any security interest. A
11 purchase-money security interest, as defined in section 9-103, Uniform
12 Commercial Code, in a vehicle is perfected against the rights of judicial
13 lien creditors and execution creditors on and after the date the
14 purchase-money security interest attaches.

15 (3) Subject to subsections (1) and (2) of this section, all liens,
16 security agreements, and encumbrances noted upon a certificate of title
17 or an electronic certificate of title record and all liens noted
18 electronically as prescribed in subsection (1) of this section shall take
19 priority according to the order of time in which the same are noted by
20 the county treasurer or department. Exposure for sale of any vehicle by
21 the owner thereof with the knowledge or with the knowledge and consent of
22 the holder of any lien, security agreement, or encumbrance on such
23 vehicle shall not render the same void or ineffective as against the
24 creditors of such owner or holder of subsequent liens, security
25 agreements, or encumbrances upon such vehicle.

26 (4) The holder of a security agreement, trust receipt, conditional
27 sales contract, or similar instrument, upon presentation of such
28 instrument to the department or to any county treasurer, together with
29 the certificate of title and the fee prescribed for notation of lien, may
30 have a notation of such lien made on the face of such certificate of
31 title. The owner of a vehicle may present a valid out-of-state

1 certificate of title issued to such owner for such vehicle with a
2 notation of lien on such certificate of title and the prescribed fee to
3 the county treasurer or department and have the notation of lien made on
4 the new certificate of title issued pursuant to section 60-144 without
5 presenting a copy of the lien instrument. The county treasurer or the
6 department shall enter the notation and the date thereof over the
7 signature of the person making the notation and the seal of the office.
8 If noted by a county treasurer, he or she shall on that day notify the
9 department which shall note the lien on its records. The county treasurer
10 or the department shall also indicate by appropriate notation and on such
11 instrument itself the fact that such lien has been noted on the
12 certificate of title.

13 (5) A transaction does not create a sale or a security interest in a
14 vehicle, other than an all-terrain vehicle, a utility-type vehicle, or a
15 minibike, merely because it provides that the rental price is permitted
16 or required to be adjusted under the agreement either upward or downward
17 by reference to the amount realized upon sale or other disposition of the
18 vehicle.

19 (6) The county treasurer or the department, upon receipt of a lien
20 instrument duly signed by the owner in the manner prescribed by law
21 governing such lien instruments together with the fee prescribed for
22 notation of lien, shall notify the first lienholder to deliver to the
23 county treasurer or the department, within fifteen days after the date of
24 notice, the certificate of title to permit notation of such other lien
25 and, after notation of such other lien, the county treasurer or the
26 department shall deliver the certificate of title to the first
27 lienholder. The holder of a certificate of title who refuses to deliver a
28 certificate of title to the county treasurer or the department for the
29 purpose of showing such other lien on such certificate of title within
30 fifteen days after the date of notice shall be liable for damages to such
31 other lienholder for the amount of damages such other lienholder suffered

1 by reason of the holder of the certificate of title refusing to permit
2 the showing of such lien on the certificate of title.

3 (7) Upon receipt of a subsequent lien instrument duly signed by the
4 owner in the manner prescribed by law governing such lien instruments or
5 a notice of lien filed electronically, together with an application for
6 notation of the subsequent lien, the fee prescribed in section 60-154,
7 and, if a printed certificate of title exists, the presentation of the
8 certificate of title, the county treasurer or department shall make
9 notation of such other lien. If the certificate of title is not an
10 electronic certificate of title record, the county treasurer or
11 department, upon receipt of a lien instrument duly signed by the owner in
12 the manner prescribed by law governing such lien instruments together
13 with the fee prescribed for notation of lien, shall notify the first
14 lienholder to deliver to the county treasurer or department, within
15 fifteen days after the date of notice, the certificate of title to permit
16 notation of such other lien. After such notation of lien, the lien shall
17 become part of the electronic certificate of title record created by the
18 county treasurer or department which is maintained on the electronic
19 title and lien system. The holder of a certificate of title who refuses
20 to deliver a certificate of title to the county treasurer or department
21 for the purpose of noting such other lien on such certificate of title
22 within fifteen days after the date when notified to do so shall be liable
23 for damages to such other lienholder for the amount of damages such other
24 lienholder suffered by reason of the holder of the certificate of title
25 refusing to permit the noting of such lien on the certificate of title.

26 (8) When a lien is discharged, the holder shall, within fifteen days
27 after payment is received, note a cancellation of the lien on the
28 certificate of title over his, her, or its signature and deliver the
29 certificate of title to the county treasurer or the department, which
30 shall note the cancellation of the lien on the face of the certificate of
31 title and on the records of such office. If delivered to a county

1 treasurer, he or she shall on that day notify the department which shall
2 note the cancellation on its records. The county treasurer or the
3 department shall then return the certificate of title to the owner or as
4 otherwise directed by the owner. The cancellation of lien shall be noted
5 on the certificate of title without charge. For an electronic certificate
6 of title record, the lienholder shall, within fifteen days after payment
7 is received when such lien is discharged, notify the department
8 electronically or provide written notice of such lien release, in a
9 manner prescribed by the department, to the county treasurer or
10 department. The department shall note the cancellation of lien and, if no
11 other liens exist, issue the certificate of title to the owner or as
12 otherwise directed by the owner or lienholder. If the holder of the title
13 cannot locate a lienholder, a lien may be discharged ten years after the
14 date of filing by presenting proof that thirty days have passed since the
15 mailing of a written notice by certified mail, return receipt requested,
16 to the last-known address of the lienholder.

17 Sec. 6. Section 60-164.01, Revised Statutes Supplement, 2017, is
18 amended to read:

19 60-164.01 Beginning on the implementation date designated by the
20 director pursuant to subsection (2) of section 13 of this act January 1,
21 ~~2019~~, if a certificate of title is an electronic certificate of title
22 record, upon application by an owner or a lienholder and payment of the
23 fee prescribed in section 60-154, the following changes may be made to a
24 certificate of title electronically and without printing a certificate of
25 title:

- 26 (1) Changing the name of an owner to reflect a legal change of name;
27 (2) Removing the name of an owner with the consent of all owners and
28 lienholders; or
29 (3) Adding an additional owner with the consent of all owners and
30 lienholders.

31 Sec. 7. Section 60-166, Revised Statutes Supplement, 2017, is

1 amended to read:

2 60-166 (1)(a) This subsection applies prior to the implementation
3 date designated by the director pursuant to subsection (2) of section 13
4 of this act.

5 (b) ~~(1)~~ In the event of (i) ~~(a)~~ the transfer of ownership of a
6 vehicle by operation of law as upon inheritance, devise, or bequest,
7 order in bankruptcy, insolvency, replevin, or execution sale or as
8 provided in sections 30-24,125, 52-601.01 to 52-605, 60-1901 to 60-1911,
9 and 60-2401 to 60-2411, (ii) ~~(b)~~ the engine of a vehicle being replaced
10 by another engine, (iii) ~~(c)~~ a vehicle being sold to satisfy storage or
11 repair charges or under section 76-1607, or (iv) ~~(d)~~ repossession being
12 had upon default in performance of the terms of a chattel mortgage, trust
13 receipt, conditional sales contract, or other like agreement, ~~and upon~~
14 acceptance of an electronic certificate of title record after
15 repossession, in addition to the title requirements in this section, the
16 county treasurer of any county or the department, upon the surrender of
17 the prior certificate of title or the manufacturer's or importer's
18 certificate, or when that is not possible, upon presentation of
19 satisfactory proof of ownership and right of possession to such vehicle,
20 and upon payment of the appropriate fee and the presentation of an
21 application for certificate of title, may issue to the applicant a
22 certificate of title thereto.

23 (2)(a) This subsection applies beginning on the implementation date
24 designated by the director pursuant to subsection (2) of section 13 of
25 this act.

26 (b) In the event of (i) the transfer of ownership of a vehicle by
27 operation of law as upon inheritance, devise, or bequest, order in
28 bankruptcy, insolvency, replevin, or execution sale or as provided in
29 sections 30-24,125, 52-601.01 to 52-605, 60-1901 to 60-1911, and 60-2401
30 to 60-2411, (ii) the engine of a vehicle being replaced by another
31 engine, (iii) a vehicle being sold to satisfy storage or repair charges

1 or under section 76-1607, or (iv) repossession being had upon default in
2 performance of the terms of a chattel mortgage, trust receipt,
3 conditional sales contract, or other like agreement, and upon acceptance
4 of an electronic certificate of title record after repossession, in
5 addition to the title requirements in this section, the county treasurer
6 of any county or the department, upon the surrender of the prior
7 certificate of title or the manufacturer's or importer's certificate, or
8 when that is not possible, upon presentation of satisfactory proof of
9 ownership and right of possession to such vehicle, and upon payment of
10 the appropriate fee and the presentation of an application for
11 certificate of title, may issue to the applicant a certificate of title
12 thereto.

13 (3) If the prior certificate of title issued for such vehicle
14 provided for joint ownership with right of survivorship, a new
15 certificate of title shall be issued to a subsequent purchaser upon the
16 assignment of the prior certificate of title by the surviving owner and
17 presentation of satisfactory proof of death of the deceased owner.

18 (4) Only an affidavit by the person or agent of the person to whom
19 possession of such vehicle has so passed, setting forth facts entitling
20 him or her to such possession and ownership, together with a copy of the
21 journal entry, court order, or instrument upon which such claim of
22 possession and ownership is founded, shall be considered satisfactory
23 proof of ownership and right of possession, except that if the applicant
24 cannot produce such proof of ownership, he or she may submit to the
25 department such evidence as he or she may have, and the department may
26 thereupon, if it finds the evidence sufficient, issue the certificate of
27 title or authorize any county treasurer to issue a certificate of title,
28 as the case may be.

29 (5) ~~(2)~~ If from the records of the county treasurer or the
30 department there appear to be any liens on such vehicle, such certificate
31 of title shall comply with section 60-164 or 60-165 regarding such liens

1 unless the application is accompanied by proper evidence of their
2 satisfaction or extinction.

3 Sec. 8. Section 60-169, Revised Statutes Cumulative Supplement,
4 2016, is amended to read:

5 60-169 (1)(a) Except as otherwise provided in subdivision (b) of
6 this subsection, each owner of a vehicle and each person mentioned as
7 owner in the last certificate of title, when the vehicle is dismantled,
8 destroyed, or changed in such a manner that it loses its character as a
9 vehicle or changed in such a manner that it is not the vehicle described
10 in the certificate of title, shall surrender his or her certificate of
11 title to any county treasurer or to the department. If the certificate of
12 title is surrendered to a county treasurer, he or she shall, with the
13 consent of any holders of any liens noted thereon, enter a cancellation
14 upon the records and shall notify the department of such cancellation.
15 Beginning on the implementation date designated by the director pursuant
16 to subsection (3) of section 13 of this act, a wrecker or salvage dealer
17 shall report electronically to the department using the electronic
18 reporting system. If the certificate is surrendered to the department, it
19 shall, with the consent of any holder of any lien noted thereon, enter a
20 cancellation upon its records.

21 (b)(i) In the case of a mobile home or manufactured home for which a
22 certificate of title has been issued, if such mobile home or manufactured
23 home is affixed to real property in which each owner of the mobile home
24 or manufactured home has any ownership interest, the certificate of title
25 may be surrendered for cancellation to the county treasurer of the county
26 where such mobile home or manufactured home is affixed to real property
27 if at the time of surrender the owner submits to the county treasurer an
28 affidavit of affixture on a form provided by the department that contains
29 all of the following, as applicable:

30 (A) The names and addresses of all of the owners of record of the
31 mobile home or manufactured home;

1 (B) A description of the mobile home or manufactured home that
2 includes the name of the manufacturer, the year of manufacture, the
3 model, and the manufacturer's serial number;

4 (C) The legal description of the real property upon which the mobile
5 home or manufactured home is affixed and the names of all of the owners
6 of record of the real property;

7 (D) A statement that the mobile home or manufactured home is affixed
8 to the real property;

9 (E) The written consent of each holder of a lien duly noted on the
10 certificate of title to the release of such lien and the cancellation of
11 the certificate of title;

12 (F) A copy of the certificate of title surrendered for cancellation;
13 and

14 (G) The name and address of an owner, a financial institution, or
15 another entity to which notice of cancellation of the certificate of
16 title may be delivered.

17 (ii) The person submitting an affidavit of affixture pursuant to
18 subdivision (b)(i) of this subsection shall swear or affirm that all
19 statements in the affidavit are true and material and further acknowledge
20 that any false statement in the affidavit may subject the person to
21 penalties relating to perjury under section 28-915.

22 (2) If a certificate of title of a mobile home or manufactured home
23 is surrendered to the county treasurer, along with the affidavit required
24 by subdivision (1)(b) of this section, he or she shall enter a
25 cancellation upon his or her records, notify the department of such
26 cancellation, forward a duplicate original of the affidavit to the
27 department, and deliver a duplicate original of the executed affidavit
28 under subdivision (1)(b) of this section to the register of deeds for the
29 county in which the real property is located to be filed by the register
30 of deeds. The county treasurer shall be entitled to collect fees from the
31 person submitting the affidavit in accordance with section 33-109 to

1 cover the costs of filing such affidavit. Following the cancellation of a
2 certificate of title for a mobile home or manufactured home, the county
3 treasurer or designated county official shall not issue a certificate of
4 title for such mobile home or manufactured home, except as provided in
5 subsection (5) of this section.

6 (3) If a mobile home or manufactured home is affixed to real estate
7 before June 1, 2006, a person who is the holder of a lien or security
8 interest in both the mobile home or manufactured home and the real estate
9 to which it is affixed on such date may enforce its liens or security
10 interests by accepting a deed in lieu of foreclosure or in the manner
11 provided by law for enforcing liens on the real estate.

12 (4) A mobile home or manufactured home for which the certificate of
13 title has been canceled and for which an affidavit of affixture has been
14 duly recorded pursuant to subsection (2) of this section shall be treated
15 as part of the real estate upon which such mobile home or manufactured
16 home is located. Any lien thereon shall be perfected and enforced in the
17 same manner as a lien on real estate. The owner of such mobile home or
18 manufactured home may convey ownership of the mobile home or manufactured
19 home only as a part of the real estate to which it is affixed.

20 (5)(a) If each owner of both the mobile home or manufactured home
21 and the real estate described in subdivision (1)(b) of this section
22 intends to detach the mobile home or manufactured home from the real
23 estate, the owner shall do both of the following: (i) Before detaching
24 the mobile home or manufactured home, record an affidavit of detachment
25 in the office of the register of deeds in the county in which the
26 affidavit is recorded under subdivision (1)(b) of this section; and (ii)
27 apply for a certificate of title for the mobile home or manufactured home
28 pursuant to section 60-147.

29 (b) The affidavit of detachment shall contain all of the following:

30 (i) The names and addresses of all of the owners of record of the
31 mobile home or manufactured home;

1 (ii) A description of the mobile home or manufactured home that
2 includes the name of the manufacturer, the year of manufacture, the
3 model, and the manufacturer's serial number;

4 (iii) The legal description of the real estate from which the mobile
5 home or manufactured home is to be detached and the names of all of the
6 owners of record of the real estate;

7 (iv) A statement that the mobile home or manufactured home is to be
8 detached from the real property;

9 (v) A statement that the certificate of title of the mobile home or
10 manufactured home has previously been canceled;

11 (vi) The name of each holder of a lien of record against the real
12 estate from which the mobile home or manufactured home is to be detached,
13 with the written consent of each holder to the detachment; and

14 (vii) The name and address of an owner, a financial institution, or
15 another entity to which the certificate of title may be delivered.

16 (6) An owner of an affixed mobile home or manufactured home for
17 which the certificate of title has previously been canceled pursuant to
18 subsection (2) of this section shall not detach the mobile home or
19 manufactured home from the real estate before a certificate of title for
20 the mobile home or manufactured home is issued by the county treasurer or
21 department. If a certificate of title is issued by the county treasurer
22 or department, the mobile home or manufactured home is no longer
23 considered part of the real property. Any lien thereon shall be perfected
24 pursuant to section 60-164. The owner of such mobile home or manufactured
25 home may convey ownership of the mobile home or manufactured home only by
26 way of a certificate of title.

27 (7) For purposes of this section:

28 (a) A mobile home or manufactured home is affixed to real estate if
29 the wheels, towing hitches, and running gear are removed and it is
30 permanently attached to a foundation or other support system; and

31 (b) Ownership interest means the fee simple interest in real estate

1 or an interest as the lessee under a lease of the real property that has
2 a term that continues for at least twenty years after the recording of
3 the affidavit under subsection (2) of this section.

4 (8) Upon cancellation of a certificate of title in the manner
5 prescribed by this section, the county treasurer and the department may
6 cancel and destroy all certificates and all memorandum certificates in
7 that chain of title.

8 Sec. 9. Section 60-173, Revised Statutes Cumulative Supplement,
9 2016, is amended to read:

10 60-173 (1) When an insurance company acquires a salvage vehicle
11 through payment of a total loss settlement on account of damage, the
12 company shall obtain the certificate of title from the owner, surrender
13 such certificate of title to the county treasurer, and make application
14 for a salvage branded certificate of title which shall be assigned when
15 the company transfers ownership. An insurer shall take title to a salvage
16 vehicle for which a total loss settlement is made unless the owner of the
17 salvage vehicle elects to retain the salvage vehicle.

18 (2) If the owner elects to retain the salvage vehicle, the insurance
19 company shall notify the department of such fact in a format prescribed
20 by the department. The department shall immediately enter the salvage
21 brand onto the computerized record of the vehicle. Beginning on the
22 implementation date designated by the director pursuant to subsection (3)
23 of section 13 of this act, the insurance company shall report
24 electronically to the department using the electronic reporting system.
25 The insurance company shall also notify the owner of the owner's
26 responsibility to comply with this section. The owner shall, within
27 thirty days after the settlement of the loss, forward the properly
28 endorsed acceptable certificate of title to the county treasurer in the
29 county designated in section 60-144. The county treasurer shall, upon
30 receipt of the certificate of title, issue a salvage branded certificate
31 of title for the vehicle.

1 (3) An insurance company may apply to the department for a salvage
2 branded certificate of title without obtaining a properly endorsed
3 certificate of title from the owner or other evidence of ownership as
4 prescribed by the department if it has been at least thirty days since
5 the company obtained oral or written acceptance by the owner of an offer
6 in an amount in settlement of a total loss. The insurance company shall
7 submit an application form prescribed by the department for a salvage
8 branded certificate of title accompanied by an affidavit from the
9 insurance company that it has made at least two written attempts and has
10 been unable to obtain the proper endorsed certificate of title from the
11 owner following an oral or written acceptance by the owner of an offer of
12 an amount in settlement of a total loss and evidence of settlement.

13 Sec. 10. Section 60-192, Revised Statutes Supplement, 2017, is
14 amended to read:

15 60-192 The transferor of any motor vehicle of an age of less than
16 ten years, which was equipped with an odometer by the manufacturer, shall
17 provide to the transferee a statement, signed by the transferor, setting
18 forth: (1) The mileage on the odometer at the time of transfer; and (2)
19 (a) a statement that, to the transferor's best knowledge, such mileage is
20 that actually driven by the motor vehicle, (b) a statement that the
21 transferor has knowledge that the mileage shown on the odometer is in
22 excess of the designated mechanical odometer limit, or (c) a statement
23 that the odometer reading does not reflect the actual mileage and should
24 not be relied upon because the transferor has knowledge that the odometer
25 reading differs from the actual mileage and that the difference is
26 greater than that caused by odometer calibration error. If a discrepancy
27 exists between the odometer reading and the actual mileage, a warning
28 notice to alert the transferee shall be included with the statement. The
29 transferor shall retain a true copy of such statement for a period of
30 five years from the date of the transaction. Beginning on the
31 implementation date designated by the director pursuant to subsection (2)

1 of section 13 of this act, if If motor vehicle ownership has been
2 transferred by operation of law pursuant to repossession under
3 subdivision (2)(b)(iv) ~~(1)(d)~~ of section 60-166, the mileage shall be
4 listed as the odometer reading at the time of the most recent transfer of
5 ownership prior to the repossession of the motor vehicle. The adjustment
6 shall not be deemed a violation of section 60-190.

7 Sec. 11. Section 60-386, Revised Statutes Supplement, 2017, is
8 amended to read:

9 60-386 (1) Each new application shall contain, in addition to other
10 information as may be required by the department, the name and
11 residential and mailing address of the applicant and a description of the
12 motor vehicle or trailer, including the color, the manufacturer, the
13 identification number, the United States Department of Transportation
14 number if required by 49 C.F.R. 390.5 and 390.19, as such regulations
15 existed on January 1, 2017, and the weight of the motor vehicle or
16 trailer required by the Motor Vehicle Registration Act. Beginning on the
17 implementation date designated by the director pursuant to subsection (4)
18 of section 13 of this act, for trailers which are not required to have a
19 certificate of title under section 60-137 and which have no
20 identification number, the assignment of an identification number shall
21 be required and the identification number shall be issued by the county
22 treasurer or department. With the application the applicant shall pay the
23 proper registration fee and shall state whether the motor vehicle is
24 propelled by alternative fuel and, if alternative fuel, the type of fuel.
25 The application shall also contain a notification that bulk fuel
26 purchasers may be subject to federal excise tax liability. The department
27 shall include such notification in the notices required by section
28 60-3,186.

29 (2) This subsection applies beginning on an implementation date
30 designated by the director. The director shall designate an
31 implementation date which is on or before January 1, 2020. In addition to

1 the information required under subsection (1) of this section, the
2 application for registration shall contain (a) the full legal name as
3 defined in section 60-468.01 of each owner and (b)(i) the motor vehicle
4 operator's license number or state identification card number of each
5 owner, if applicable, and one or more of the identification elements as
6 listed in section 60-484 of each owner, if applicable, and (ii) if any
7 owner is a business entity, a nonprofit organization, an estate, a trust,
8 or a church-controlled organization, its tax identification number.

9 Sec. 12. Section 60-389, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 60-389 Upon the filing of such application, the department shall,
12 upon registration, assign to such motor vehicle or trailer a distinctive
13 registration number in the form of a license plate. Beginning on the
14 implementation date designated by the director pursuant to subsection (4)
15 of section 13 of this act, for trailers which are not required to have a
16 certificate of title under section 60-137 and which have an
17 identification number issued by the county treasurer or department under
18 section 60-386, trailer identification tags shall be supplied by the
19 department and shall be required to be affixed to the trailer after
20 issuance. Upon sale or transfer of any such motor vehicle or trailer,
21 such number may be canceled or may be reassigned to another motor vehicle
22 or trailer, at the option of the department, subject to the provisions of
23 the Motor Vehicle Registration Act.

24 Sec. 13. (1) It is the intent of the Legislature that the
25 Department of Motor Vehicles maintain and further improve the Vehicle
26 Title and Registration System which is the statewide system for the
27 collection, storage, and transfer of data on vehicle titles and
28 registrations as described in section 60-1505.

29 (2) The department shall provide for technological updates to
30 electronic certificates of title. The Director of Motor Vehicles shall
31 designate an implementation date for the updates which date is on or

1 before January 1, 2021.

2 (3) The department shall provide for an electronic reporting system
3 for salvage and junked motorboats and vehicles. The director shall
4 designate an implementation date for the system which date is on or
5 before January 1, 2021.

6 (4) The department shall provide for the use of identification
7 numbers for trailers which do not have a certificate of title. The
8 director shall designate an implementation date for such use which date
9 is on or before January 1, 2021.

10 Sec. 14. Section 60-1507, Revised Statutes Supplement, 2017, is
11 amended to read:

12 60-1507 (1) ~~The Beginning January 1, 2019,~~ the Department of Motor
13 Vehicles shall develop an electronic dealer services system for
14 implementation as provided in subsection (7) of this section. The
15 Director of Motor Vehicles shall approve a licensed dealer as defined in
16 sections 60-119.02 and 60-335.01 for participation in the system. A
17 licensed dealer may voluntarily participate in the system and provide
18 titling and registration services. A licensed dealer who chooses to
19 participate may collect from a purchaser of a vehicle as defined in
20 section 60-136, who also chooses to participate, all appropriate
21 certificate of title fees, notation of lien fees, registration fees,
22 motor vehicle taxes and fees, and sales taxes. All such fees and taxes
23 collected shall be remitted to the appropriate county treasurer or the
24 department as provided in the Motor Vehicle Certificate of Title Act, the
25 Motor Vehicle Registration Act, and the Nebraska Revenue Act of 1967.

26 (2) In addition to the fees and taxes described in subsection (1) of
27 this section, a participating licensed dealer may charge and collect a
28 service fee not to exceed fifty dollars from a purchaser electing to use
29 the electronic dealer services system.

30 (3) The department shall provide an approved participating licensed
31 dealer with access to the electronic dealer services system by a method

1 determined by the director. An approved licensed dealer who chooses to
2 participate shall use the system to electronically submit title,
3 registration, and lien information to the Vehicle Title and Registration
4 System maintained by the department. License plates, registration
5 certificates, and certificates of title shall be delivered as provided
6 under the Motor Vehicle Certificate of Title Act and the Motor Vehicle
7 Registration Act.

8 (4) The director may remove a licensed dealer's authority to
9 participate in the electronic dealer services system for any violation of
10 the Motor Vehicle Certificate of Title Act, the Motor Vehicle Industry
11 Regulation Act, the Motor Vehicle Registration Act, or the Nebraska
12 Revenue Act of 1967, for failure to timely remit fees and taxes collected
13 under this section, or for any other conduct the director deems to have
14 or will have an adverse effect on the public or any governmental entity.

15 (5) An approved licensed dealer participating in the electronic
16 dealer services system shall not release, disclose, use, or share
17 personal or sensitive information contained in the records accessible
18 through the electronic dealer services system as prohibited under the
19 Uniform Motor Vehicle Records Disclosure Act, except that a licensed
20 dealer may release, disclose, use, or share such personal or sensitive
21 information when necessary to fulfill the requirements of the electronic
22 dealer services system as approved by the department. An approved
23 licensed dealer participating in the electronic dealer services system
24 shall be responsible for ensuring that such licensed dealer's employees
25 and agents comply with the Uniform Motor Vehicle Records Disclosure Act.

26 (6) The department may adopt and promulgate rules and regulations
27 governing the eligibility for approval and removal of licensed dealers to
28 participate in the electronic dealer services system, the procedures and
29 requirements necessary to implement and maintain such system, and the
30 procedures and requirements for approved licensed dealers participating
31 in such system.

1 (7) The department shall implement the electronic dealer services
2 system on a date to be determined by the director but not later than
3 January 1, 2021.

4 Sec. 15. The Revisor of Statutes shall assign section 13 of this
5 act to Chapter 60, article 15.

6 Sec. 16. Original sections 37-1285, 37-1293, and 60-389, Reissue
7 Revised Statutes of Nebraska, sections 60-169 and 60-173, Revised
8 Statutes Cumulative Supplement, 2016, and sections 37-1283, 37-1285.01,
9 60-164, 60-164.01, 60-166, 60-192, 60-386, and 60-1507, Revised Statutes
10 Supplement, 2017, are repealed.