

**ONE HUNDREDTH LEGISLATURE - SECOND SESSION -  
2008**

**COMMITTEE STATEMENT**

**LB953**

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**Hearing Date:** February 19, 2008

**Committee On:** Banking, Commerce and Insurance

**Introducer(s):** (Nelson)

**Title:** Change lien provisions relating to mobile homes and manufactured homes

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**Roll Call Vote - Final Committee Action:**

Placed on General File with Amendments

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**Vote Results:**

8 Yes	Senators Carlson, Christensen, Gay, Hansen, Langemeier, Pahls, Pankonin, Pirsch
0 No	
0 Absent	
0 Present, not voting	

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**Proponents:**  
Senator John Nelson  
Robert Hallstrom

**Representing:**  
Introducer  
NE Bankers Association

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or change:**

LB 953 (Nelson) would amend various sections regarding bankruptcy and security interests involving manufactured homes and mobile homes. The bill would provide, section by section, as follows:

**BANKRUPTCY**

Section 1 would enact a new section to provide that for purposes of Chapter 13 bankruptcies, a manufactured home or a mobile home may be deemed real property to allow for application of provisions of federal law prohibiting a debtor from modifying a loan secured by a lien on a manufactured home or a mobile home that is “real property” under state law.

**MOTOR VEHICLE CERTIFICATES OF TITLE**

Section 2 would amend section 60-107 of the Motor Vehicle Certificate of Title Act to provide that the definition of “manufactured home” means a transportable structure meeting certain criteria “whether or not permanently attached to the real estate.”

Section 3 would amend section 60-137 of the Motor Vehicle Certificate of Title Act to provide that the owner of a manufactured home or a mobile home which is affixed to real estate and for which a certificate of title has not previously been issued and surrendered for cancellation may apply for a certificate of title which shall be issued for the sole purpose of (a) surrendering such certificate of title for cancellation, or (b) satisfying the requirements of Article 9 of the Uniform Commercial Code for establishing priority of a security interest in fixtures.

Section 4 would amend section 60-147 of the Motor Vehicle Certificate of Title Act to provide for application for a certificate of title for a “manufactured home” as well as for a mobile home or cabin trailer.

Section 5 would amend section 60-164 of the Motor Vehicle Certificate of Title Act to provide that a purchase-money security interest, under Article 9 of the Uniform Commercial Code, in a vehicle is perfected against the rights of judicial lien creditors and execution creditors on and after the date the purchase-money security interest is created.

**MISCELLANEOUS**

Section 6 would provide for repealers of the amendatory sections.

**Explanation of amendments, if any:**

The committee amendments (AM1941) would make the following changes:

The committee amendments would amend section 1 of the bill to clarify for purposes of Chapter 13 bankruptcies, a manufactured home or a mobile home “shall”

rather than “may” be deemed real property to allow for application of provisions of federal law prohibiting a debtor from modifying a loan secured by a lien on a manufactured home or a mobile home that is “real property” under state law.

The committee amendments would strike section 2 of the bill.

The committee amendments would strike the new provisions of section 3 of the bill and would insert new provisions to provide that (a) every owner of a manufactured home or mobile home shall obtain a certificate of title for the manufactured home or mobile home prior to affixing it to the real estate and (b) if a manufactured home or mobile home has been affixed to real estate, and a certificate of title was not issued before it was so affixed, the owner of such manufactured home or mobile home shall apply for and be issued a certificate of title at any time for surrender and cancellation.

The committee amendments would strike section 4 of the bill.

The committee amendments would amend section 5 of the bill to clarify that a purchase-money security interest, under Article 9 of the Uniform Commercial Code, in a vehicle is perfected against the rights of judicial lien creditors and execution creditors on and after the date the purchase-money security interest “attaches” rather than “is created”.

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Senator Rich Pahls, Chairperson