

## LEGISLATIVE BILL 488

Approved by the Governor April 18, 2002

Introduced by Landis, 46; Kruse, 13; Redfield, 12

AN ACT relating to motor vehicles; to amend sections 60-302 and 60-1515, Revised Statutes Supplement, 2001; to provide for additional registration fees; to create the motor vehicle insurance data base; to provide duties; to provide immunity; to create an unfair insurance trade practice; to create a task force; to harmonize provisions; to provide a duty for the Revisor of Statutes; and to repeal the original sections.

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

Section 1. Section 60-302, Revised Statutes Supplement, 2001, is amended to read:

60-302. (1) No motor vehicle, trailer, semitrailer, or cabin trailer, unless otherwise expressly provided, shall be operated or parked on the highways of this state unless the vehicle is registered in accordance with Chapter 60, article 3. There shall be a rebuttable presumption that any vehicle stored and kept more than thirty days in the state is being operated or parked on the highways of this state and shall be registered in accordance with Chapter 60, article 3, from the date of title of the motor vehicle or, if no transfer in ownership of the motor vehicle has occurred, from the expiration of the last registration period for which the motor vehicle was registered. Every owner of a vehicle required to be registered shall make application for registration to the county treasurer of the county in which the vehicle has situs as defined in section 60-3001. The application shall be a copy of a certificate of title or, in the case of a renewal of a registration, the application shall be the previous registration period's certificate. A salvage certificate of title as defined in section 60-129 and a nontransferable certificate of title provided for in section 60-131 shall not be valid for registration purposes.

(2) An application for registration of a motor vehicle shall be accompanied by proof of financial responsibility or evidence of insurance covering the motor vehicle. Proof of financial responsibility shall be evidenced by a copy of proof of financial responsibility filed pursuant to subdivision (2), (3), or (4) of section 60-528 bearing the seal of the Department of Motor Vehicles. Evidence of insurance shall give the effective dates of the automobile liability policy, which dates shall be evidence that the coverage is in effect on and following the date of registration, and shall designate, by explicit description or by appropriate reference, all motor vehicles covered. Evidence of insurance in the form of a certificate of insurance for fleet vehicles may include, as an appropriate reference, a designation that the insurance coverage is applicable to all vehicles owned by the named insured, or wording of similar effect, in lieu of an explicit description. Proof of financial responsibility also may be evidenced by (a) a check by the department or its agents of the motor vehicle insurance data base created under section 2 of this act or (b) any other automated or electronic means as prescribed or developed by the department.

(3) Any nonresident owner who desires to register a vehicle or vehicles in this state shall register in the county where the vehicle is domiciled or where the owner conducts a bona fide business.

(4) Each new application shall contain, in addition to other information as may be required by the department, the name and post office address of the applicant and a description of the vehicle, including the color, the manufacturer, the identification number, and the weight of the vehicle required by Chapter 60, article 3. With the application the applicant shall pay the proper registration fee as provided in sections 60-305.08 to 60-339 and shall state whether the vehicle is propelled by alternative fuel as defined in section 66-686 and, if alternative fuel, the type of fuel. The form shall also contain a notice that bulk fuel purchasers may be subject to federal excise tax liability. The department shall prescribe a form, containing the notice, for supplying the information for vehicles to be registered. The county treasurer shall include the form in each mailing made pursuant to section 60-3003. The county treasurer or his or her agent shall notify the Motor Fuel Tax Enforcement and Collection Division of the Department of Revenue whenever a vehicle powered by an alternative fuel as defined in section 66-686 is registered. The notification shall include the name and address of the registrant, the date of registration, the type of

motor vehicle registered, and the type of alternative fuel used to propel the vehicle as indicated on the registration application.

(5) The county treasurer or his or her agent shall collect, in addition to the registration fees, one dollar and fifty cents for each certificate issued and shall remit one dollar and fifty cents of each additional fee collected to the State Treasurer for credit to the Department of Motor Vehicles Cash Fund.

(6) The county treasurer or his or her agent shall collect, in addition to other registration fees, fifty cents for each certificate issued and shall remit the fee to the State Treasurer for credit to the Nebraska Emergency Medical System Operations Fund.

(7) The county treasurer or his or her agent shall collect, in addition to other registration fees, one dollar and fifty cents for each certificate issued and shall remit the fee to the State Treasurer for credit to the State Recreation Road Fund.

(8) If a citation is issued to an owner or operator of a vehicle for a violation of this section and the owner properly registers and licenses the vehicle not in compliance and pays all taxes and fees due and the owner or operator provides proof of such registration to the prosecuting attorney within ten days after the issuance of the citation, no prosecution for the offense cited shall occur.

(9) If a county board consolidates services under the office of a designated county official other than the county treasurer pursuant to section 23-186, the powers and duties of the county treasurer relating to registration under sections 60-301 to 60-347 and sections 2 to 5 of this act shall be performed by the designated county official.

(10) A county treasurer or county official or his or her agent may accept credit cards, charge cards, or debit cards as a means of payment for registration pursuant to section 13-609.

(11) For the period January 1, 2003, through December 31, 2005, the county treasurer or his or her agent shall collect, in addition to the other registration fees, twenty-five cents for each certificate issued to pay for the costs of the motor vehicle insurance data base created under section 2 of this act and shall remit such additional fee to the State Treasurer for credit to the Department of Motor Vehicles Cash Fund.

Sec. 2. (1) (a) The motor vehicle insurance data base is created. The Department of Motor Vehicles shall develop and administer the motor vehicle insurance data base which shall include the information provided by insurance companies as required by the department pursuant to sections 2 to 5 of this act. The motor vehicle insurance data base shall be used to facilitate registration of motor vehicles in this state by the department and its agents. The Director of Motor Vehicles may contract with a designated agent for the purpose of establishing and operating the motor vehicle insurance data base and monitoring compliance with the financial responsibility requirements of sections 2 to 5 of this act. The department shall implement the motor vehicle insurance data base no later than July 1, 2004. The director shall designate the date for the department's implementation of the motor vehicle insurance data base.

(b) The department shall adopt and promulgate rules and regulations to carry out sections 2 to 5 of this act. The rules and regulations shall include specifications for the information to be transmitted by the insurance companies to the department for inclusion in the motor vehicle insurance data base, and specifications for the form and manner of transmission of data for inclusion in the motor vehicle insurance data base, as recommended by the Motor Vehicle Insurance Data Base Task Force created in subsection (2) of this section in its report to the department.

(2) (a) The Motor Vehicle Insurance Data Base Task Force is created. The Motor Vehicle Insurance Data Base Task Force shall investigate the best practices of the industry and recommend specifications for the information to be transmitted by the insurance companies to the Department of Motor Vehicles for inclusion in the motor vehicle insurance data base and specifications for the form and manner of transmission of data for inclusion in the motor vehicle insurance data base. The Motor Vehicle Insurance Data Base Task Force shall complete a written report of its recommendations and submit the report to the department and file a copy with the Clerk of the Legislature no later than September 30, 2003.

(b) The Motor Vehicle Insurance Data Base Task Force shall consist of:

- (i) The Director of Motor Vehicles or his or her designee;
- (ii) The Director of Insurance or his or her designee;
- (iii) The following members who shall be selected by the Director of

Insurance:

(A) One representative of a domestic automobile insurance company or domestic automobile insurance companies;

(B) One representative of an admitted foreign automobile insurance company or admitted foreign automobile insurance companies; and

(C) One representative of insurance producers licensed under the laws of this state; and

(iv) Four members to be selected by the Director of Motor Vehicles.

(c) The requirements of this subsection shall expire on July 1, 2004, except that the Director of Motor Vehicles may reconvene the task force at any time thereafter if he or she deems it necessary.

Sec. 3. Each insurance company doing business in this state shall provide information shown on each automobile liability policy issued in this state as required by the Department of Motor Vehicles pursuant to sections 2 to 5 of this act for inclusion in the motor vehicle insurance data base in a form and manner acceptable to the department. Any person who qualifies as a self-insurer under sections 60-562 to 60-564 or any person who provides financial responsibility under sections 75-348 to 75-358 shall not be required to provide information to the department for inclusion in the motor vehicle insurance data base.

Sec. 4. Information provided to the Department of Motor Vehicles by insurance companies for inclusion in the motor vehicle insurance data base created under section 2 of this act is the property of the insurance company and the department, as the case may be. The department may disclose whether an individual has the required insurance coverage pursuant to the Uniform Motor Vehicle Records Disclosure Act, but in no case shall the department provide any person's insurance coverage information for purposes of resale, for purposes of solicitation, or as bulk listings.

Sec. 5. (1) The state shall not be liable to any person for gathering, managing, or using information in the motor vehicle insurance data base created under section 2 of this act.

(2) No insurance company shall be liable to any person for performing its duties under sections 2 to 4 of this act, unless and to the extent the insurance company commits a willful and wanton act or omission.

Sec. 6. Section 60-1515, Revised Statutes Supplement, 2001, is amended to read:

60-1515. (1) The Legislature hereby finds and declares that a statewide system for the collection, storage, and transfer of data on vehicle titles and registration and the cooperation of state and local government in implementing such a system is essential to the efficient operation of state and local government in vehicle titling and registration. The Legislature hereby finds and declares that the electronic issuance of operators' licenses and state identification cards using a digital system as described in section 60-484.01 and the cooperation of state and local government in implementing such a system is essential to the efficient operation of state and local government in issuing operators' licenses and state identification cards.

(2) It is therefor the intent of the Legislature that the Department of Motor Vehicles shall use a portion of the fees appropriated by the Legislature to the Department of Motor Vehicles Cash Fund as follows:

(a) To pay for the cost of issuing motor vehicle titles and registrations on a system designated by the department. The costs shall include, but not be limited to, software and software maintenance, programming, processing charges, and equipment including such terminals, printers, or other devices as deemed necessary by the department after consultation with the county to support the issuance of motor vehicle titles and registrations. The costs shall not include the cost of county personnel or physical facilities provided by the counties;

(b) To furnish to the counties the certificate of registration forms specified in section 60-312. The certificate of registration form shall be prescribed by the department; and

(c) To pay for the costs of an operator's license system as specified in section 60-4,119 and section 60-484.01 and designated by the department. The costs shall be limited to such terminals, printers, software, programming, and other equipment or devices as deemed necessary by the department to support the issuance of such licenses and state identification cards in the counties and by the department; and

(d) To pay for the motor vehicle insurance data base created under section 2 of this act.

Sec. 7. Failure by an insurance company subject to sections 2 to 5 of this act to comply with the requirements of such sections and the rules and regulations adopted and promulgated under such sections by the Director of Motor Vehicles shall be an unfair trade practice in the business of insurance subject to the Unfair Insurance Trade Practices Act.

Sec. 8. The Revisor of Statutes shall assign sections 2 to 5 of this act to Chapter 60, article 3, and section 7 of this act to Chapter 44.

Sec. 9. Original sections 60-302 and 60-1515, Revised Statutes Supplement, 2001, are repealed.