## LEGISLATURE OF NEBRASKA

## ONE HUNDRED FIFTH LEGISLATURE

SECOND SESSION

## **LEGISLATIVE BILL 1136**

Introduced by Clements, 2.

Read first time January 18, 2018

Committee: Transportation and Telecommunications

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-1905, 2 60-1910, and 60-1911, Reissue Revised Statutes of Nebraska, section 3 60-1901, Revised Statutes Cumulative Supplement, 2016, and sections 4 60-149 and 60-166, Revised Statutes Supplement, 2017; to redefine abandoned vehicle to include a motor vehicle donated or sold to a 5 6 multistate auction dealer; to provide for custody and disposition of 7 such vehicles and proceeds of sales of such vehicles; to provide 8 duties for multistate online dealers; to harmonize provisions; and 9 to repeal the original sections.

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

- 1 Section 1. Section 60-149, Revised Statutes Supplement, 2017, is
- 2 amended to read:
- 3 60-149 (1)(a) If a certificate of title has previously been issued
- 4 for a vehicle in this state, the application for a new certificate of
- 5 title shall be accompanied by the certificate of title duly assigned
- 6 except as otherwise provided in the Motor Vehicle Certificate of Title
- 7 Act.
- 8 (b) Except for manufactured homes or mobile homes as provided in
- 9 subsection (2) of this section, if a certificate of title has not
- 10 previously been issued for the vehicle in this state or if a certificate
- of title is unavailable pursuant to subsection (4) of section 52-1801,
- the application shall be accompanied by:
- 13 (i) A manufacturer's or importer's certificate except as otherwise
- 14 provided in subdivision (vii) of this subdivision;
- 15 (ii) A duly certified copy of the manufacturer's or importer's
- 16 certificate;
- 17 (iii) An affidavit by the owner affirming ownership in the case of
- 18 an all-terrain vehicle, a utility-type vehicle, or a minibike;
- 19 (iv) A certificate of title from another state;
- 20 (v) A court order issued by a court of record, a manufacturer's
- 21 certificate of origin, or an assigned registration certificate, if the
- 22 law of the state from which the vehicle was brought into this state does
- 23 not have a certificate of title law;
- 24 (vi) Documentation prescribed in section 60-142.01, 60-142.02,
- 25 60-142.04, 60-142.05, or 60-142.09 or documentation of compliance with
- 26 section 76-1607; or
- 27 (vii) A manufacturer's or importer's certificate and an affidavit by
- 28 the owner affirming ownership in the case of a minitruck.
- 29 (c) If the application for a certificate of title in this state is
- 30 accompanied by a valid certificate of title issued by another state which
- 31 meets that state's requirements for transfer of ownership, then the

- 1 application may be accepted by this state.
- 2 (d) If a certificate of title has not previously been issued for the
- 3 vehicle in this state and the applicant is unable to provide such
- 4 documentation, the applicant may apply for a bonded certificate of title
- 5 as prescribed in section 60-167.
- 6 (2)(a) If the application for a certificate of title for a
- 7 manufactured home or a mobile home is being made in accordance with
- 8 subdivision (4)(b) of section 60-137 or if the certificate of title for a
- 9 manufactured home or a mobile home is unavailable pursuant to section
- 10 52-1801, the application shall be accompanied by proof of ownership in
- 11 the form of:
- (i) A duly assigned manufacturer's or importer's certificate;
- (ii) A certificate of title from another state;
- 14 (iii) A court order issued by a court of record;
- 15 (iv) Evidence of ownership as provided for in section 30-24,125,
- 16 52-601.01 to 52-605, 60-1901 to 60-1911 and section 4 of this act, or
- 17 60-2401 to 60-2411, or documentation of compliance with section 76-1607;
- 18 or
- 19 (v) Assessment records for the manufactured home or mobile home from
- 20 the county assessor and an affidavit by the owner affirming ownership.
- 21 (b) If the applicant cannot produce proof of ownership described in
- 22 subdivision (a) of this subsection, he or she may submit to the
- 23 department such evidence as he or she may have, and the department may
- 24 thereupon, if it finds the evidence sufficient, issue the certificate of
- 25 title or authorize the county treasurer to issue a certificate of title,
- 26 as the case may be.
- 27 (3) For purposes of this section, certificate of title includes a
- 28 salvage certificate, a salvage branded certificate of title, or any other
- 29 document of ownership issued by another state or jurisdiction for a
- 30 salvage vehicle. Only a salvage branded certificate of title shall be
- 31 issued to any vehicle conveyed upon a salvage certificate, a salvage

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- 1 branded certificate of title, or any other document of ownership issued
- 2 by another state or jurisdiction for a salvage vehicle.
- 3 (4) The county treasurer shall retain the evidence of title
- 4 presented by the applicant and on which the certificate of title is
- 5 issued.
- 6 Sec. 2. Section 60-166, Revised Statutes Supplement, 2017, is

60-166 (1) In the event of (a) the transfer of ownership of a

- 7 amended to read:
- 9 vehicle by operation of law as upon inheritance, devise, or bequest, order in bankruptcy, insolvency, replevin, or execution sale or as 10 provided in sections 30-24,125, 52-601.01 to 52-605, 60-1901 to 60-1911 11 and section 4 of this act, and 60-2401 to 60-2411, (b) the engine of a 12 vehicle being replaced by another engine, (c) a vehicle being sold to 13 satisfy storage or repair charges or under section 76-1607, or (d) 14 repossession being had upon default in performance of the terms of a 15 chattel mortgage, trust receipt, conditional sales contract, or other 16 17 like agreement, and upon acceptance of an electronic certificate of title record after repossession, in addition to the title requirements in this 18 19 section, the county treasurer of any county or the department, upon the surrender of the prior certificate of title or the manufacturer's or 20 importer's certificate, or when that is not possible, upon presentation 21 22 of satisfactory proof of ownership and right of possession to such vehicle, and upon payment of the appropriate fee and the presentation of 23 24 an application for certificate of title, may issue to the applicant a certificate of title thereto. If the prior certificate of title issued 25 for such vehicle provided for joint ownership with right of survivorship, 26 a new certificate of title shall be issued to a subsequent purchaser upon 27

the assignment of the prior certificate of title by the surviving owner

and presentation of satisfactory proof of death of the deceased owner.

Only an affidavit by the person or agent of the person to whom possession

of such vehicle has so passed, setting forth facts entitling him or her

- 1 to such possession and ownership, together with a copy of the journal
- 2 entry, court order, or instrument upon which such claim of possession and
- 3 ownership is founded, shall be considered satisfactory proof of ownership
- 4 and right of possession, except that if the applicant cannot produce such
- 5 proof of ownership, he or she may submit to the department such evidence
- 6 as he or she may have, and the department may thereupon, if it finds the
- 7 evidence sufficient, issue the certificate of title or authorize any
- 8 county treasurer to issue a certificate of title, as the case may be.
- 9 (2) If from the records of the county treasurer or the department
- 10 there appear to be any liens on such vehicle, such certificate of title
- 11 shall comply with section 60-164 or 60-165 regarding such liens unless
- 12 the application is accompanied by proper evidence of their satisfaction
- 13 or extinction.
- 14 Sec. 3. Section 60-1901, Revised Statutes Cumulative Supplement,
- 15 2016, is amended to read:
- 16 60-1901 (1) A motor vehicle is an abandoned vehicle:
- 17 (a) If left unattended, with no license plates or valid In Transit
- 18 stickers issued pursuant to the Motor Vehicle Registration Act affixed
- 19 thereto, for more than six hours on any public property;
- 20 (b) If left unattended for more than twenty-four hours on any public
- 21 property, except a portion thereof on which parking is legally permitted;
- 22 (c) If left unattended for more than forty-eight hours, after the
- 23 parking of such vehicle has become illegal, if left on a portion of any
- 24 public property on which parking is legally permitted;
- 25 (d) If left unattended for more than seven days on private property
- 26 if left initially without permission of the owner, or after permission of
- 27 the owner is terminated;
- 28 (e) If left for more than thirty days in the custody of a law
- 29 enforcement agency after the agency has sent a letter to the last-
- 30 registered owner under section 60-1903.01;—or
- 31 (f) If removed from private property by a municipality pursuant to a

- 1 municipal ordinance; or -
- 2 (g) If donated or sold to a multistate auction dealer and left in
- 3 <u>the dealer's custody for more than forty-five days.</u>
- 4 (2) An all-terrain vehicle, a utility-type vehicle, or a minibike is
- 5 an abandoned vehicle:
- 6 (a) If left unattended for more than twenty-four hours on any public
- 7 property, except a portion thereof on which parking is legally permitted;
- 8 (b) If left unattended for more than forty-eight hours, after the
- 9 parking of such vehicle has become illegal, if left on a portion of any
- 10 public property on which parking is legally permitted;
- 11 (c) If left unattended for more than seven days on private property
- 12 if left initially without permission of the owner, or after permission of
- 13 the owner is terminated;
- 14 (d) If left for more than thirty days in the custody of a law
- 15 enforcement agency after the agency has sent a letter to the last-
- 16 registered owner under section 60-1903.01; or
- 17 (e) If removed from private property by a municipality pursuant to a
- 18 municipal ordinance.
- 19 (3) A mobile home is an abandoned vehicle if left in place on
- 20 private property for more than thirty days after a local governmental
- 21 unit, pursuant to an ordinance or resolution, has sent a certified letter
- 22 to each of the last-registered owners and posted a notice on the mobile
- 23 home, stating that the mobile home is subject to sale or auction or
- 24 vesting of title as set forth in section 60-1903.
- 25 (4) For purposes of this section:
- 26 (a) Mobile home means a movable or portable dwelling constructed to
- 27 be towed on its own chassis, connected to utilities, and designed with or
- 28 without a permanent foundation for year-round living. It may consist of
- 29 one or more units that can be telescoped when towed and expanded later
- 30 for additional capacity, or of two or more units, separately towable but
- 31 designed to be joined into one integral unit, and shall include a

- 1 manufactured home as defined in section 71-4603. Mobile home does not
- 2 include a mobile home or manufactured home for which an affidavit of
- 3 affixture has been recorded pursuant to section 60-169;
- 4 (b) Public property means any public right-of-way, street, highway,
- 5 alley, or park or other state, county, or municipally owned property; and
- 6 (c) Private property means any privately owned property which is not
- 7 included within the definition of public property.
- 8 (5) No motor vehicle subject to forfeiture under section 28-431
- 9 shall be an abandoned vehicle under this section.
- 10 Sec. 4. (1) The multistate auction dealer having custody of an
- 11 <u>abandoned vehicle pursuant to subdivision (1)(g) of section 60-1901 shall</u>
- 12 <u>make an inquiry concerning the last-registered owner of such vehicle as</u>
- 13 <u>follows:</u>
- 14 (a) Abandoned vehicle with license plates affixed, to the
- 15 jurisdiction which issued such license plates; or
- 16 <u>(b) Abandoned vehicle with valid In Transit stickers issued pursuant</u>
- 17 to section 60-376 affixed but with no license plates affixed, to the
- 18 Department of Motor Vehicles.
- 19 (2) For an abandoned vehicle with no license plates affixed and no
- 20 valid In Transit stickers issued pursuant to section 60-376 affixed, no
- 21 <u>inquiry under subdivision (1) of this section is required.</u>
- 22 (3) The multistate auction dealer shall notify the last-registered
- 23 owner, if any, that the vehicle in question has been determined to be an
- 24 <u>abandoned vehicle</u> and that, if unclaimed, title will vest in the
- 25 multistate auction dealer thirty days after the date such notice was
- 26 <u>mailed</u>. If the jurisdiction or department described in subdivision (1)(a)
- 27 <u>or (b) of this section notifies the multistate auction dealer that a lien</u>
- 28 <u>or mortgage exists, such notice shall also be sent to the lienholder or</u>
- 29 mortgagee. Any person claiming such vehicle shall be required to pay the
- 30 cost of removal and storage of such vehicle.
- 31 (4) Title to an abandoned vehicle, if unclaimed, shall vest in the

- 1 multistate auction dealer (a) thirty days after the date the notice is
- 2 mailed if the multistate auction dealer will retain the vehicle or (b) if
- 3 the last-registered owner cannot be ascertained, thirty days after the
- 4 dealer has published in a newspaper of general circulation in the
- 5 jurisdiction an announcement that the dealer intends to retain the
- 6 abandoned vehicle for its use and that title will vest in the dealer
- 7 thirty days after the publication.
- 8 (5) After title to the abandoned vehicle vests pursuant to
- 9 subsection (4) of this section, the multistate auction dealer may retain
- 10 for use, sell, or auction the abandoned vehicle.
- 11 (6) Any fee for any certificate of title issued to a multistate
- 12 auction dealer pursuant to this section shall not exceed forty dollars.
- 13 Sec. 5. Section 60-1905, Reissue Revised Statutes of Nebraska, is
- 14 amended to read:
- 15 60-1905 (1) Any proceeds from the sale of an abandoned vehicle less
- 16 any expenses, including towing and storage charges, incurred by the local
- 17 authority or state agency shall be held by the local authority or state
- 18 agency without interest, for the benefit of the owner or lienholders of
- 19 such vehicle for a period of two years. If not claimed within such two-
- 20 year period, the proceeds shall be paid into the general fund of the
- 21 local authority entitled to custody under section 60-1904 or the state
- 22 General Fund if a state agency is entitled to custody under section
- 23 60-1904.
- 24 (2) Any proceeds from the sale of a motor vehicle that is an
- 25 abandoned vehicle pursuant to subdivision (1)(g) of section 60-1901 less
- 26 <u>any expenses, including towing and storage charges, incurred by the</u>
- 27 multistate auction dealer shall be held by the multistate action dealer
- 28 without interest, for the benefit of the owner or lienholders of such
- 29 <u>vehicle for a period of two years. If not claimed within such two-year</u>
- 30 period, the proceeds shall belong to the multistate auction dealer.
- 31 Sec. 6. Section 60-1910, Reissue Revised Statutes of Nebraska, is

- 1 amended to read:
- 2 60-1910 The Director of Motor Vehicles shall adopt and promulgate
- 3 rules and regulations providing for such forms and procedures as are
- 4 necessary or desirable to effectuate the provisions of sections 60-1901
- 5 to 60-1911 and section 4 of this act. Such rules and regulations may
- 6 include procedures for the removal and disposition of vehicle
- 7 identification numbers of abandoned vehicles, forms for local records for
- 8 abandoned vehicles, and inquiries relating to ownership of such vehicles.
- 9 Sec. 7. Section 60-1911, Reissue Revised Statutes of Nebraska, is
- 10 amended to read:
- 11 60-1911 Except as provided in section 60-1908, any person violating
- 12 the provisions of sections 60-1901 to 60-1911 and section 4 of this act
- 13 shall be guilty of a Class II misdemeanor.
- 14 Sec. 8. Original sections 60-1905, 60-1910, and 60-1911, Reissue
- 15 Revised Statutes of Nebraska, and section 60-1901, Revised Statutes
- 16 Cumulative Supplement, 2016, and sections 60-149 and 60-166, Revised
- 17 Statutes Supplement, 2017, are repealed.