

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 422**

FINAL READING

Introduced by Storer, 43.

Read first time January 17, 2025

Committee: Judiciary

- 1 A BILL FOR AN ACT relating to the Nebraska Uniform Real Property Transfer
- 2 on Death Act; to amend sections 76-3401 and 76-3410, Reissue Revised
- 3 Statutes of Nebraska; to change provisions relating to required
- 4 warnings on transfer on death deeds and insurance policies on
- 5 certain real property; to harmonize provisions; and to repeal the
- 6 original sections.
- 7 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 76-3401, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           76-3401 Sections 76-3401 to 76-3423 and section 3 of this act shall  
4 be known and may be cited as the Nebraska Uniform Real Property Transfer  
5 on Death Act.

6           **Sec. 2.** Section 76-3410, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8           76-3410 (a) A transfer on death deed:

9           (1) Except as otherwise provided in subdivision (2) of this  
10 subsection, must contain the essential elements and formalities of a  
11 properly recordable inter vivos deed;

12           (2) Must state that the transfer to the designated beneficiary is to  
13 occur at the transferor's death;

14           (3) Must contain the warnings provided in subsection (b) of this  
15 section; and

16           (4) Must be recorded (i) within thirty days after being executed as  
17 required in section 76-3409, (ii) before the transferor's death, and  
18 (iii) in the public records in the office of the register of deeds of the  
19 county where the property is located.

20           (b)(1) A transfer on death deed shall contain the following  
21 warnings:

22           WARNING: The property transferred remains subject to inheritance  
23 taxation in Nebraska to the same extent as if owned by the transferor at  
24 death. Failure to timely pay inheritance taxes is subject to interest and  
25 penalties as provided by law.

26           WARNING: The designated beneficiary is personally liable, to the  
27 extent of the value of the property transferred, to account for medicaid  
28 reimbursement to the extent necessary to discharge any such claim  
29 remaining after application of the assets of the transferor's estate. The  
30 designated beneficiary may also be personally liable, to the extent of  
31 the value of the property transferred, for claims against the estate,

1 statutory allowances to the transferor's surviving spouse and children,  
2 and the expenses of administration to the extent needed to pay such  
3 amounts by the personal representative.

4       WARNING: The Department of Health and Human Services may require  
5 revocation of this deed by a transferor, a transferor's spouse, or both a  
6 transferor and the transferor's spouse in order to qualify or remain  
7 qualified for medicaid assistance.

8       (2) A transfer on death deed created after the effective date of  
9 this act shall contain the following warning in addition to the warnings  
10 required under subdivision (1) of this subsection:

11       WARNING: Property insurance on the transferred property may expire  
12 thirty days after the death of the transferor. Unless the transferor has  
13 added the designated beneficiary as an insured or additional named  
14 insured to the property insurance policy of the transferred property, any  
15 property insurance coverage of the transferred property will end on the  
16 earliest to occur of the following after the transferor's death: The end  
17 of the policy period as determined as if the transferor was still living;  
18 the date the designated beneficiary obtains alternative coverage; or  
19 thirty days after the transferor's death only if any premium required for  
20 the additional days beyond the policy period is paid.

21       (3) ~~(2)~~ No recorded transfer on death deed shall be invalidated  
22 because of any defects in the wording of the warnings required by this  
23 subsection.

24       (c) No action may be commenced to set aside a transfer on death  
25 deed, based on failure to comply with the requirement of disinterested  
26 witnesses pursuant to section 76-3409, more than ninety days after the  
27 date of death of the transferor or, if there is more than one transferor,  
28 more than ninety days after the date of death of the last surviving  
29 transferor.

30       (d) Notwithstanding subsection (c) of this section, an action to set  
31 aside a transfer on death deed, based on failure to comply with the

1 requirement of disinterested witnesses pursuant to section 76-3409, in  
2 which the transferor or, if there is more than one transferor, the last  
3 surviving transferor, has died prior to May 8, 2013, shall be commenced  
4 by the later of (1) ninety days after the date of death of the transferor  
5 or, if there is more than one transferor, ninety days after the date of  
6 death of the last surviving transferor, or (2) ninety days after May 8,  
7 2013.

8 **Sec. 3.** (a) In addition to any other coverage provided under an  
9 insurance policy on real estate transferred pursuant to a transfer on  
10 death deed, the designated beneficiary shall be deemed to be an insured  
11 party under any property insurance policy for the period from the date of  
12 the transferor's death until the first to occur of:

13 (1) The end of the policy period as determined as if the transferor  
14 was still living;

15 (2) The date the designated beneficiary obtains alternative  
16 coverage; or

17 (3) Thirty days after the transferor's death only if any premium  
18 required for the additional days beyond the policy period is paid.

19 (b) Nothing in this section shall affect coverage provided under an  
20 insurance policy to household members or others who are deemed to be  
21 insured upon the death of the transferor.

22 (c) The designated beneficiary shall not acquire any interest in  
23 proceeds of an insurance policy that have accrued before the death of the  
24 insured.

25 **Sec. 4.** Original sections 76-3401 and 76-3410, Reissue Revised  
26 Statutes of Nebraska, are repealed.