

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 370

Introduced by McCollister, 20; Kolterman, 24.

Read first time January 16, 2019

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 44-6408,
2 60-346, 60-509, 60-534, and 60-549, Reissue Revised Statutes of
3 Nebraska, and sections 60-310 and 60-501, Revised Statutes
4 Cumulative Supplement, 2018; to change liability insurance and
5 financial responsibility requirements; to provide an operative date;
6 and to repeal the original sections.

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

1 Section 1. Section 44-6408, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 44-6408 (1) No policy insuring against liability imposed by law for
4 bodily injury, sickness, disease, or death suffered by a natural person
5 arising out of the ownership, operation, maintenance, or use of a motor
6 vehicle within the United States, its territories or possessions, or
7 Canada shall be delivered, issued for delivery, or renewed with respect
8 to any motor vehicle principally garaged in this state unless coverage is
9 provided for the protection of persons insured who are legally entitled
10 to recover compensatory damages for bodily injury, sickness, disease, or
11 death from (a) the owner or operator of an uninsured motor vehicle in
12 limits of fifty ~~twenty-five~~ thousand dollars because of bodily injury,
13 sickness, disease, or death of one person in any one accident and,
14 subject to such limit for one person, one hundred ~~fifty~~ thousand dollars
15 because of bodily injury, sickness, disease, or death of two or more
16 persons in any one accident, and (b) the owner or operator of an
17 underinsured motor vehicle in limits of fifty ~~twenty-five~~ thousand
18 dollars because of bodily injury, sickness, disease, or death of one
19 person in any one accident and, subject to such limit for one person, one
20 hundred ~~fifty~~ thousand dollars because of bodily injury, sickness,
21 disease, or death of two or more persons in any one accident.

22 (2) At the written request of the named insured, the insurer shall
23 provide higher limits of uninsured and underinsured motorist coverages in
24 accordance with its rating plan and rules, except that in no event shall
25 the insurer be required to provide limits higher than one hundred
26 thousand dollars per person and three hundred thousand dollars per
27 accident.

28 (3) After purchase of uninsured and underinsured motorist coverages,
29 no insurer or any affiliated insurer shall be required to notify any
30 policyholder in any renewal, reinstatement, substitute, amended, altered,
31 modified, transfer, or replacement policy as to the availability of

1 optional limits of such coverages. The named insured may, subject to the
2 limitations of this section, make a written request for additional
3 coverage or coverage more extensive than that provided in a prior policy.

4 Sec. 2. Section 60-310, Revised Statutes Cumulative Supplement,
5 2018, is amended to read:

6 60-310 Automobile liability policy means liability insurance written
7 by an insurance carrier duly authorized to do business in this state
8 protecting other persons from damages for liability on account of
9 accidents occurring subsequent to the effective date of the insurance
10 arising out of the ownership of a motor vehicle (1) in the amount of
11 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death
12 of one person in any one accident, (2) subject to the limit for one
13 person, in the amount of one hundred ~~fifty~~ thousand dollars because of
14 bodily injury to or death of two or more persons in any one accident, and
15 (3) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury
16 to or destruction of property of other persons in any one accident. An
17 automobile liability policy shall not exclude, limit, reduce, or
18 otherwise alter liability coverage under the policy solely because the
19 injured person making a claim is the named insured in the policy or
20 residing in the household with the named insured.

21 Sec. 3. Section 60-346, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 60-346 Proof of financial responsibility means evidence of ability
24 to respond in damages for liability, on account of accidents occurring
25 subsequent to the effective date of such proof, arising out of the
26 ownership, maintenance, or use of a motor vehicle, (1) in the amount of
27 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death
28 of one person in any one accident, (2) subject to such limit for one
29 person, in the amount of one hundred ~~fifty~~ thousand dollars because of
30 bodily injury to or death of two or more persons in any one accident, and
31 (3) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury

1 to or destruction of property of others in any one accident.

2 Sec. 4. Section 60-501, Revised Statutes Cumulative Supplement,
3 2018, is amended to read:

4 60-501 For purposes of the Motor Vehicle Safety Responsibility Act,
5 unless the context otherwise requires:

6 (1) Department means Department of Motor Vehicles;

7 (2) Golf car vehicle means a vehicle that has at least four wheels,
8 has a maximum level ground speed of less than twenty miles per hour, has
9 a maximum payload capacity of one thousand two hundred pounds, has a
10 maximum gross vehicle weight of two thousand five hundred pounds, has a
11 maximum passenger capacity of not more than four persons, and is designed
12 and manufactured for operation on a golf course for sporting and
13 recreational purposes;

14 (3) Judgment means any judgment which shall have become final by the
15 expiration of the time within which an appeal might have been perfected
16 without being appealed, or by final affirmation on appeal, rendered by a
17 court of competent jurisdiction of any state or of the United States, (a)
18 upon a cause of action arising out of the ownership, maintenance, or use
19 of any motor vehicle for damages, including damages for care and loss of
20 services, because of bodily injury to or death of any person or for
21 damages because of injury to or destruction of property, including the
22 loss of use thereof, or (b) upon a cause of action on an agreement of
23 settlement for such damages;

24 (4) License means any license issued to any person under the laws of
25 this state pertaining to operation of a motor vehicle within this state;

26 (5) Low-speed vehicle means a (a) four-wheeled motor vehicle (i)
27 whose speed attainable in one mile is more than twenty miles per hour and
28 not more than twenty-five miles per hour on a paved, level surface, (ii)
29 whose gross vehicle weight rating is less than three thousand pounds, and
30 (iii) that complies with 49 C.F.R. part 571, as such part existed on
31 January 1, 2018, or (b) three-wheeled motor vehicle (i) whose maximum

1 speed attainable is not more than twenty-five miles per hour on a paved,
2 level surface, (ii) whose gross vehicle weight rating is less than three
3 thousand pounds, (iii) which is equipped with a windshield and an
4 occupant protection system, and (iv) that complies with 49 C.F.R. part
5 571, as such part existed on January 1, 2018. A motorcycle with a sidecar
6 attached is not a low-speed vehicle;

7 (6) Minitruck means a foreign-manufactured import vehicle or
8 domestic-manufactured vehicle which (a) is powered by an internal
9 combustion engine with a piston or rotor displacement of one thousand
10 five hundred cubic centimeters or less, (b) is sixty-seven inches or less
11 in width, (c) has a dry weight of four thousand two hundred pounds or
12 less, (d) travels on four or more tires, (e) has a top speed of
13 approximately fifty-five miles per hour, (f) is equipped with a bed or
14 compartment for hauling, (g) has an enclosed passenger cab, (h) is
15 equipped with headlights, taillights, turnsignals, windshield wipers, a
16 rearview mirror, and an occupant protection system, and (i) has a four-
17 speed, five-speed, or automatic transmission;

18 (7) Motor vehicle means any self-propelled vehicle which is designed
19 for use upon a highway, including trailers designed for use with such
20 vehicles, minitrucks, and low-speed vehicles. Motor vehicle does not
21 include (a) mopeds as defined in section 60-637, (b) traction engines,
22 (c) road rollers, (d) farm tractors, (e) tractor cranes, (f) power
23 shovels, (g) well drillers, (h) every vehicle which is propelled by
24 electric power obtained from overhead wires but not operated upon rails,
25 (i) electric personal assistive mobility devices as defined in section
26 60-618.02, (j) off-road designed vehicles, including, but not limited to,
27 golf car vehicles, go-carts, riding lawnmowers, garden tractors, all-
28 terrain vehicles and utility-type vehicles as defined in section
29 60-6,355, minibikes as defined in section 60-636, and snowmobiles as
30 defined in section 60-663, and (k) bicycles as defined in section 60-611;

31 (8) Nonresident means every person who is not a resident of this

1 state;

2 (9) Nonresident's operating privilege means the privilege conferred
3 upon a nonresident by the laws of this state pertaining to the operation
4 by him or her of a motor vehicle or the use of a motor vehicle owned by
5 him or her in this state;

6 (10) Operator means every person who is in actual physical control
7 of a motor vehicle;

8 (11) Owner means a person who holds the legal title of a motor
9 vehicle, or in the event (a) a motor vehicle is the subject of an
10 agreement for the conditional sale or lease thereof with the right of
11 purchase upon performance of the conditions stated in the agreement and
12 with an immediate right of possession vested in the conditional vendee or
13 lessee or (b) a mortgagor of a vehicle is entitled to possession, then
14 such conditional vendee or lessee or mortgagor shall be deemed the owner
15 for the purposes of the act;

16 (12) Person means every natural person, firm, partnership, limited
17 liability company, association, or corporation;

18 (13) Proof of financial responsibility means evidence of ability to
19 respond in damages for liability, on account of accidents occurring
20 subsequent to the effective date of such proof, arising out of the
21 ownership, maintenance, or use of a motor vehicle, (a) in the amount of
22 fifty ~~twenty-five~~ thousand dollars because of bodily injury to or death
23 of one person in any one accident, (b) subject to such limit for one
24 person, in the amount of one hundred ~~fifty~~ thousand dollars because of
25 bodily injury to or death of two or more persons in any one accident, and
26 (c) in the amount of fifty ~~twenty-five~~ thousand dollars because of injury
27 to or destruction of property of others in any one accident;

28 (14) Registration means registration certificate or certificates and
29 registration plates issued under the laws of this state pertaining to the
30 registration of motor vehicles;

31 (15) State means any state, territory, or possession of the United

1 States, the District of Columbia, or any province of the Dominion of
2 Canada; and

3 (16) The forfeiture of bail, not vacated, or of collateral deposited
4 to secure an appearance for trial shall be regarded as equivalent to
5 conviction of the offense charged.

6 Sec. 5. Section 60-509, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 60-509 No such policy or bond shall be effective under section
9 60-508 unless issued by an insurance company or surety company authorized
10 to do business in this state, except that if such motor vehicle was not
11 registered in this state or was a motor vehicle which was registered
12 elsewhere than in this state at the effective date of a policy or bond or
13 the most recent renewal thereof, such policy or bond shall not be
14 effective under section 60-508 unless the insurance company or surety
15 company, if not authorized to do business in this state, shall execute an
16 acknowledgment that the company shall be amenable to process issued by a
17 court of this state in any action upon such policy or bond arising out of
18 such accident. Every such policy or bond is subject, if the accident has
19 resulted in bodily injury, sickness, disease, or death, to a limit,
20 exclusive of interest and costs, of not less than fifty ~~twenty-five~~
21 thousand dollars because of bodily injury to or death of one person in
22 any one accident and, subject to such limit for one person, to a limit of
23 not less than one hundred ~~fifty~~ thousand dollars because of bodily injury
24 to or death of two or more persons in any one accident and, if the
25 accident has resulted in injury to or destruction of property, to a limit
26 of not less than fifty ~~twenty-five~~ thousand dollars because of injury to
27 or destruction of property of others in any one accident. Upon receipt of
28 a notice of such accident, the insurance company or surety company which
29 issued such policy or bond shall furnish, for filing with the department,
30 a written notice that such policy or bond was in effect at the time of
31 such accident.

1 Sec. 6. Section 60-534, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 60-534 Such motor vehicle liability policy shall (1) designate by
4 explicit description or by appropriate reference all motor vehicles with
5 respect to which coverage is thereby to be granted and (2) insure the
6 person named therein and any other person, as insured, using any such
7 motor vehicle or motor vehicles with the express or implied permission of
8 such named insured, against loss from the liability imposed by law for
9 damages arising out of the ownership, maintenance, or use of such motor
10 vehicle or motor vehicles within the United States of America or the
11 Dominion of Canada, subject to limits exclusive of interest and costs,
12 with respect to each such motor vehicle as follows: Fifty ~~Twenty-five~~
13 thousand dollars because of bodily injury to or death of one person in
14 any one accident and, subject to such limit for one person, one hundred
15 ~~fifty~~ thousand dollars because of bodily injury to or death of two or
16 more persons in any one accident, and fifty ~~twenty-five~~ thousand dollars
17 because of injury to or destruction of property of others in any one
18 accident.

19 Sec. 7. Section 60-549, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 60-549 Proof of financial responsibility may be evidenced by the
22 certificate of the State Treasurer that the person named in the
23 certificate has deposited with him or her an amount equal to the sum of
24 the amounts specified in subdivisions (13)(b) and (c) of section 60-501
25 ~~seventy-five thousand dollars~~ per vehicle in cash or securities such as
26 may legally be purchased by savings banks or for trust funds of a market
27 value of such amount ~~seventy-five thousand dollars~~. The State Treasurer
28 shall not accept any such deposit and issue a certificate therefor and
29 the department shall not accept such certificate unless it is accompanied
30 by evidence that there are no unsatisfied judgments of any character
31 against the depositor in the county where the depositor resides.

1 Sec. 8. This act becomes operative on January 1, 2020.

2 Sec. 9. Original sections 44-6408, 60-346, 60-509, 60-534, and
3 60-549, Reissue Revised Statutes of Nebraska, and sections 60-310 and
4 60-501, Revised Statutes Cumulative Supplement, 2018, are repealed.