

LEGISLATIVE BILL 563

Approved by the Governor April 2, 2003

Introduced by Baker, 44

AN ACT relating to motor vehicle registration; to amend sections 60-104, 60-305.02, 60-305.04, 60-305.10, 60-305.11, 60-305.14, 60-305.17, 60-306, 60-318, 60-331, 60-344, 60-348, 60-3007, 75-305, and 75-386, Reissue Revised Statutes of Nebraska, and sections 13-518, 39-2215, 60-102, 60-106, 60-301, 60-305.03, 60-305.09, 60-305.15, 60-305.16, 60-310, 60-311, 60-311.02, 60-6,298, 60-1401.02, 60-3002, 60-3004, 66-1406.02, 66-1414, 77-1342, and 77-2703, Revised Statutes Supplement, 2002; to define and redefine terms; to change and transfer provisions relating to apportionable vehicles in interjurisdiction commerce; to adopt provisions of the International Registration Plan; to create the International Registration Plan Act; 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. Sections 1 to 15 of this act shall be known and may be cited as the International Registration Plan Act.

Sec. 2. For purposes of the International Registration Plan Act, the definitions found in section 60-301 apply.

Sec. 3. The purposes of the International Registration Plan Act are to:

(1) Promote and encourage the fullest possible use of the highway system by authorizing registration of fleets of apportionable vehicles and the recognition of apportionable vehicles apportioned in other jurisdictions, thus contributing to the economic and social development and growth of the jurisdictions;

(2) Implement the concept of one registration plate for one vehicle;

(3) Grant exemptions from payment of certain fees when such grants are reciprocal; and

(4) Grant reciprocity to fleets of apportionable vehicles and provide for the continuance of reciprocity granted to those vehicles that are not eligible for apportioned registration under the act.

Sec. 4. The Director of Motor Vehicles shall ratify and do all things necessary to effectuate the International Registration Plan Act with such exceptions as are deemed advisable and such changes as are necessary.

Sec. 5. If any provision of the International Registration Plan Act conflicts with rules and regulations adopted and promulgated by the Department of Motor Vehicles, the provisions of the act shall control.

Sec. 6. Vehicles registered as provided in section 8 of this act and vehicles covered under section 404 of Article IV, International Registration Plan, adopted by the American Association of Motor Vehicle Administrators, as revised October 1, 2001, which is hereby adopted and incorporated by reference, shall be deemed fully registered in all jurisdictions where apportioned or granted reciprocity for any type of movement or operation. The registrant must have proper interjurisdiction or intrajurisdiction authority from the appropriate regulatory agency of each jurisdiction of this state if not exempt from regulation by the regulatory agency.

Sec. 7. The payment to the base jurisdiction for all member and cooperating jurisdictions of apportioned fees due under the International Registration Plan Act discharges the responsibility of the registrant for payment of such apportioned fees to individual member and cooperating jurisdictions, except that the base jurisdiction shall cooperate with other declared jurisdictions in connection with applications and fees paid.

Sec. 8. Section 60-305.09, Revised Statutes Supplement, 2002, is amended to read:

~~60-305.09.~~ (1) Any owner engaged in operating a fleet of apportionable vehicles in this state in ~~interstate~~ interjurisdiction commerce may, in lieu of registration of such vehicles under the general provisions of sections 60-301 to 60-344, register and license such fleet for operation in this state by filing a statement and the application required by section ~~60-305.16~~ 13 of this act with the Division of Motor Carrier Services of the Department of Motor Vehicles. The statement shall be in such form and contain such information as the division requires, declaring the total mileage operated by such vehicles in all ~~states~~ jurisdictions and in this state during

the preceding year and describing and identifying each such vehicle to be operated in this state during the ensuing license year. Upon receipt of such statement and application, the division shall determine the total fee payment, which shall be equal to the amount of fees due pursuant to section ~~60-305.16~~ 13 of this act and the amount obtained by applying the ~~proportion of instate fleet miles to total fleet miles, as reported in such states,~~ formula provided in section 14 of this act to a fee of thirty-two dollars per ton based upon gross vehicle weight of the empty weights of a truck or truck-tractor and the empty weights of any trailer, semitrailer, or combination thereof with which it is to be operated in combination at any one time, plus the weight of the maximum load to be carried thereon at any one time, and shall notify the applicant of the amount of payment required to be made. Mileage operated in noncontracting reciprocity states jurisdictions by vehicles based in Nebraska shall be applied to the portion of the formula for determining the Nebraska ~~instate fleet miles~~ injurisdiction fleet distance.

Temporary authority which permits the operation of a fleet or an addition to a fleet in this state while the application is being processed may be issued upon application to the division if necessary to complete processing of the application.

Upon completion of such processing and receipt of the appropriate fees, the division shall issue to the applicant a sufficient number of distinctive registration certificates which provide a list of the jurisdictions in which the vehicle has been apportioned, the weight for which registered, and such other evidence of registration for display on the vehicle as the division determines appropriate for each of the vehicles of his or her fleet, identifying it as a part of an interstate interjurisdiction fleet proportionately registered. All fees received as provided in this section shall be remitted to the State Treasurer for credit to the Motor Carrier Services Division Distributive Fund. ~~The Director of Motor Vehicles shall ratify and do all things necessary to effectuate the International Registration Plan with such exceptions as are deemed advisable and such changes as are necessary.~~

The vehicles so registered shall be exempt from all further registration and license fees under sections 60-301 to 60-344 for movement or operation in the State of Nebraska except as provided in section ~~60-305.16~~ 13 of this act. The proportional registration and licensing provision of this section shall apply to vehicles added to such fleets and operated in this state during the license year except with regard to permanent license plates issued under section ~~60-305.16~~ 13 of this act.

The right of applicants to proportional registration under this section shall be subject to the terms and conditions of any reciprocity agreement, contract, or consent made by the division.

When a nonresident fleet owner has registered his or her vehicles on an apportionment basis, his or her vehicles shall be considered as fully registered for both interstate and intrastate interjurisdiction and intrajurisdiction commerce when the state jurisdiction of base registration for such fleet accords the same consideration for fleets with a base registration in Nebraska. Each vehicle of a fleet registered by a resident of Nebraska on an apportionment basis shall be considered as fully registered for both interstate and intrastate interjurisdiction and intrajurisdiction commerce.

(2) Mileage proportions for interstate interjurisdiction fleets not operated in this state during the preceding year shall be determined by the division upon the application of the applicant on forms to be supplied by the division which shall show the operations of the preceding year in other ~~states~~ jurisdictions and estimated operations in Nebraska or, if no operations were conducted the previous year, a full statement of the proposed method of operation.

(3) Any owner complying with and being granted proportional registration shall preserve the records on which the application is made for a period of three years following the current registration year. Upon request of the division, the owner shall make such records available to the division at its office for audit as to accuracy of computation and payments or pay the costs of an audit at the home office of the owner by a duly appointed representative of the division if the office where the records are maintained is not within the State of Nebraska. The division may enter into agreements with agencies of other ~~states~~ jurisdictions administering motor vehicle registration laws for joint audits of any such owner. All payments received to cover the costs of an audit shall be remitted by the division to the State Treasurer for credit to the Motor Carrier Division Cash Fund. No deficiency shall be assessed and no claim for credit shall be allowed for any license registration year for which records on which the application was made are no

longer required to be maintained.

(4) If the division claims that a greater amount of fee is due under this section than was paid, the division shall notify the owner of the additional amount claimed to be due. The owner may accept such claim and pay the amount due, or he or she may dispute the claim and submit to the division any information which he or she may have in support of his or her position. If the dispute cannot otherwise be resolved within the division, the ~~entire matter shall be submitted to the Director of Motor Vehicles for his or her final departmental determination thereof. The director shall incorporate his or her determination into a written order. Such order may be appealed. The appeal shall be in~~ owner may petition for an appeal of the matter. The Director of Motor Vehicles shall appoint a hearing officer who shall hear the dispute and issue a written decision. Any appeal shall be in accordance with the Administrative Procedure Act. Upon expiration of the time for perfecting an appeal if no appeal is taken or upon final judicial determination if an appeal is taken, the division shall deny the owner the right to further registration for a fleet license until the amount finally determined to be due, together with any costs assessed against the owner, has been paid.

(5) Every applicant who licenses any vehicles under this section and section ~~60-305.16~~ 13 of this act shall have his or her registration certificates issued only after all fees under such sections are paid and, if applicable, proof has been furnished of payment, in the form prescribed by the director as directed by the United States Secretary of the Treasury, of the federal heavy vehicle use tax imposed by 26 U.S.C. 4481 of the Internal Revenue Code as defined in section 49-801.01. ~~7 26 U.S.C. 4481.~~

(6) In the event of the transfer of ownership of any registered motor vehicle or in the case of loss of possession because of fire or theft or because the motor vehicle was wrecked, junked, or dismantled, its registration shall expire, except that if the registered owner applies to the division after such transfer or loss of possession and accompanies the application with the fee of one dollar and fifty cents, he or she may have assigned to another motor vehicle the registration identification of the motor vehicle so transferred or lost. If the assigned motor vehicle has a greater gross weight than the transferred or lost motor vehicle, the owner of the assigned motor vehicle shall additionally pay only the registration fee for the increased gross weight for the remaining months of the registration year based on the factors determined by the division in the original fleet application.

(7) Whenever a Nebraska-based fleet owner files an application with the division to delete a registered motor vehicle from a fleet of registered motor vehicles because of (a) the transfer of ownership or (b) the loss of possession due to fire or theft or because the motor vehicle was wrecked, junked, or dismantled, the registered owner may, by returning the registration certificate or certificates and such other evidence of registration used by the division or, if such certificate or certificates or such other evidence of registration is unavailable, then by making an affidavit to the division of such transfer or loss, receive a refund of the registration fee based upon the number of unexpired months remaining in the registration year. No refund shall be allowed for any fees paid under section ~~60-305.16~~ 13 of this act. When such motor vehicle is transferred or lost within the same month as acquired, no refund shall be allowed for such month. Such refund may be in the form of a credit against any registration fees that have been incurred or are, at the time of the refund, being incurred by the registered motor vehicle owner.

(8) Whenever a Nebraska-based fleet owner files an application with the division to delete a registered motor vehicle from a fleet of registered motor vehicles because the vehicle is disabled and has been removed from service, the registered owner may, by returning the registration certificate or certificates and such other evidence of registration used by the division or, in the case of the unavailability of such certificate or certificates or such other evidence of registration, then by making an affidavit to the division of such disablement and removal from service, receive a credit for that portion of the registration fee deposited in the Highway Trust Fund based upon the number of unexpired months remaining in the registration year. No credit shall be allowed for any fees paid under section ~~60-305.16~~ 13 of this act. When such motor vehicle is removed from service within the same month in which it was registered, no credit shall be allowed for such month. Such credit may be applied against registration fees for new or replacement vehicles incurred within one year after cancellation of registration of the motor vehicle for which the credit was allowed. When any such vehicle is reregistered within the same registration year in which its registration has been canceled, the fee shall be that portion of the registration fee provided to be deposited in the Highway Trust Fund for the remainder of the

registration year.

(9) In case of addition to the registered fleet during the registration year, the owner engaged in operating the fleet shall pay the proportionate registration fee from the date of the application for the remaining balance of the registration year. The fee for any permanent license plate issued for such addition pursuant to section ~~60-305.16~~ 13 of this act shall be the full fee required by such section, regardless of the number of months remaining in the license year.

(10) In lieu of registration under subsections (1) through (9) of this section, the title holder of record may apply to the division for special registration, to be known as an unladen-weight registration, for any commercial vehicle or combination of vehicles. Such registration shall be valid only for a period of thirty days and shall give no authority to operate the vehicle except when empty. The fee for such registration shall be twenty dollars for each vehicle, which fee shall be remitted to the State Treasurer for credit to the Highway Trust Fund. The issuance of such permits shall be governed by subsection (1) of section 60-305.03.

(11) In lieu of registration under subsections (1) through (9) of this section, a trip permit for any nonresident truck, truck-tractor, bus, or truck or truck-tractor combination shall be purchased. Such permit shall be valid for (a) a single trip across or through Nebraska and (b) not longer than seventy-two hours. The fee for such permit shall be twenty-five dollars for each vehicle or combination of vehicles. Such permit shall be available at weighing stations operated by the carrier enforcement division and at various vendor stations as determined appropriate by the carrier enforcement division. The carrier enforcement division shall act as an agent for the Division of Motor Carrier Services in collecting such fees and shall remit all such fees collected to the State Treasurer for credit to the Highway Cash Fund. Trip permits shall be obtained at the first available location whether that is a weighing station or a vendor station. The vendor stations shall be entitled to collect and retain an additional fee of ten percent of the fee collected pursuant to this subsection as reimbursement for the clerical work of issuing the permits.

Sec. 9. Section 60-305.10, Reissue Revised Statutes of Nebraska, is amended to read:

~~60-305.10.~~ Nothing in ~~this section or~~ section ~~60-301,~~ 60-305.03, or ~~60-305.09~~ section 8 of this act shall affect the validity or operation of any reciprocity agreement or arrangement presently existing and in effect between Nebraska and any other jurisdiction, and all such agreements or arrangements shall continue until specifically canceled by the Director of Motor Vehicles or replaced by a new agreement or arrangement in accordance with the provisions of such sections.

Sec. 10. Section 60-305.11, Reissue Revised Statutes of Nebraska, is amended to read:

~~60-305.11.~~ Whenever a motor vehicle is registered by the owner under section 60-302 and the motor vehicle tax and motor vehicle fee imposed in sections 60-3002 and 60-3007 have been paid on that motor vehicle for the registration period, and then the motor vehicle is registered under section ~~60-305.09~~ 8 of this act, the Division of Motor Carrier Services, upon application of the owner of the motor vehicle on forms prescribed by the division, shall certify that the motor vehicle is registered under section ~~60-305.09~~ 8 of this act and that the owner is entitled to receive the refunds of the unused fees for the balance of the registration period as prescribed in section 60-315.

Sec. 11. Section 60-305.14, Reissue Revised Statutes of Nebraska, is amended to read:

~~60-305.14.~~ There is hereby created the Motor Carrier Division Cash Fund. Such fund shall be used by the Division of Motor Carrier Services of the Department of Motor Vehicles to carry out the operations of the division including the administration of titling and registering vehicles in ~~interstate~~ interjurisdiction commerce and its duties pursuant to section 66-1415. ~~Any money in the Interstate Registration Operations Cash Fund on July 1, 1996, shall be transferred to the Motor Carrier Division Cash Fund on such date.~~ Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 12. Section 60-305.15, Revised Statutes Supplement, 2002, is amended to read:

~~60-305.15.~~ (1) As registration fees are received by the Division of Motor Carrier Services of the Department of Motor Vehicles pursuant to section ~~60-305.09~~ 8 of this act, the division shall remit the fees to the State Treasurer, less a collection fee of three percent of thirty percent of the

registration fees collected. The collection fee shall be credited to the Department of Property Assessment and Taxation Cash Fund. The State Treasurer shall credit the remainder of the thirty percent of the fees collected to the Motor Vehicle Tax Fund and the remaining seventy percent of the fees collected to the Highway Trust Fund.

(2) On or before the last day of each quarter of the calendar year, the State Treasurer shall distribute all funds in the Motor Vehicle Tax Fund to the county treasurer of each county in the same proportion as the number of original motor vehicle registrations in each county bears to the total of all original registrations within the state in the registration year immediately preceding.

(3) Upon receipt of motor vehicle tax funds from the State Treasurer, the county treasurer shall distribute such funds to taxing agencies within the county in the same proportion that the levy of each such taxing agency bears to the total of such levies of all taxing agencies in the county.

(4) In the event any taxing district has been annexed, merged, dissolved, or in any way absorbed into another taxing district, any apportionment of motor vehicle tax funds to which such taxing district would have been entitled shall be apportioned to the successor taxing district which has assumed the functions of the annexed, merged, dissolved, or absorbed taxing district.

(5) On or before March 1 of each year, the Department of Motor Vehicles shall furnish to the State Treasurer a tabulation showing the total number of original motor vehicle registrations in each county for the immediately preceding calendar year, which shall be the basis for computing the distribution of motor vehicle tax funds as provided in subsection (2) of this section.

(6) The Motor Vehicle Tax Fund is created. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 13. Section 60-305.16, Revised Statutes Supplement, 2002, is amended to read:

~~60-305.16.~~ (1) Upon application and payment of the fees required pursuant to this section and section ~~60-305.09~~ 8 of this act, the Division of Motor Carrier Services of the Department of Motor Vehicles shall issue to the owner of any fleet of apportionable commercial vehicles with a base registration in Nebraska a permanent license plate for each truck, truck-tractor, trailer, and semitrailer in the fleet. The application shall be accompanied by a fee of three dollars for each truck or truck-tractor and six dollars per trailer or semitrailer. The application shall be on a form developed by the division.

(2) Any plate issued pursuant to this section shall remain affixed to the front of the truck or truck-tractor or to the rear of the trailer or semitrailer as long as the vehicle is registered pursuant to section ~~60-305.09~~ 8 of this act by the owner making the original application pursuant to subsection (1) of this section. Upon transfer of ownership of the truck, truck-tractor, trailer, or semitrailer or transfer of ownership of the fleet or at any time the truck, truck-tractor, trailer, or semitrailer is no longer registered pursuant to section ~~60-305.09~~ 8 of this act, the plate shall cease to be active and shall be processed according to the rules and regulations of the department.

(3) The renewal fee for each permanent plate shall be two dollars and shall be assessed and collected in each license year after the year in which the permanent plates are initially issued at the time all other renewal fees are collected pursuant to section ~~60-305.09~~ 8 of this act unless a truck, truck-tractor, trailer, or semitrailer has been deleted from the fleet registration.

(4) (a) If a permanent plate is lost or destroyed, the owner shall submit an affidavit to that effect to the division prior to any deletion of the truck, truck-tractor, trailer, or semitrailer from the fleet registration. If the truck, truck-tractor, trailer, or semitrailer is not deleted from the fleet registration, a replacement permanent plate may be issued upon application and payment of a fee of three dollars for each truck or truck-tractor and six dollars per trailer or semitrailer. The application for a replacement permanent plate shall be on a form developed by the division.

(b) If the registration certificate for any fleet vehicle is lost or stolen, the division shall collect a fee of one dollar for replacement of such certificate.

(5) If a truck, truck-tractor, trailer, or semitrailer for which a permanent plate has been issued pursuant to this section is deleted from the fleet registration due to loss of possession by the registrant, the plate

shall be returned to the division.

(6) The registrant shall be liable for the full amount of the registration fee due for any truck, truck-tractor, trailer, or semitrailer not deleted from the fleet registration renewal.

(7) All fees collected pursuant to this section shall be remitted to the State Treasurer for credit to the Highway Cash Fund.

Sec. 14. The registration fee for apportionable vehicles shall be determined as follows:

(1) Divide the injurisdiction distance by the total fleet distance generated during the preceding year;

(2) Determine the total fees required under the laws of each jurisdiction for full registration of each vehicle at the regular annual or applicable fees or for the unexpired portion of the registration year; and

(3) Multiply the sum obtained under subdivision (2) of this section by the quotient obtained under subdivision (1) of this section.

Sec. 15. Section 60-305.17, Reissue Revised Statutes of Nebraska, is amended to read:

~~60-305.17.~~ (1) The Director of Motor Vehicles may suspend, revoke, cancel, or refuse to issue or renew a registration certificate under ~~sections 60-305.09 to 60-305.16~~ the International Registration Plan Act:

(a) If the applicant or certificate holder has issued to the Department of Motor Vehicles a check or draft which has been returned because of insufficient funds, no funds, or a stop-payment order;

(b) If the applicant or certificate holder has had his or her license issued under the International Fuel Tax Agreement Act revoked or the director refused to issue or refused to renew such license; or

(c) If the applicant or certificate holder is in violation of sections 75-348 to 75-358.

(2) Prior to taking action under this section, the director shall notify and advise the applicant or certificate holder of the proposed action and the reasons for such action in writing, by registered or certified mail, to his or her last-known business address as shown on the application for the certificate or renewal. The notice shall also include an advisement of the procedures in subsection (3) of this section.

(3) The applicant or certificate holder may, within thirty days after the date of the mailing of the notice, petition the director for a hearing to contest the proposed action. The hearing shall be commenced in accordance with the rules and regulations adopted and promulgated by the department. If a petition is filed, the director shall, within twenty days after receipt of the petition, set a hearing date at which the applicant or certificate holder may show cause why the proposed action should not be taken. The director shall give the applicant or certificate holder reasonable notice of the time and place of the hearing. If the director's decision is adverse to the applicant or certificate holder, the applicant or certificate holder may appeal the decision in accordance with the Administrative Procedure Act.

(4) The filing of the petition shall stay any action by the director until a hearing is held and a final decision and order is issued.

(5) If no petition is filed at the expiration of thirty days after the date on which the notification was mailed, the director may take the proposed action described in the notice.

(6) If, in the judgment of the director, the applicant or certificate holder has complied with or is no longer in violation of the provisions for which the director took action under this section, the director may reinstate the registration certificate without delay.

Sec. 16. Section 13-518, Revised Statutes Supplement, 2002, is amended to read:

13-518. For purposes of sections 13-518 to 13-522:

(1) Allowable growth means (a) for governmental units other than community colleges, the percentage increase in taxable valuation in excess of the base limitation established under section 77-3446, if any, due to improvements to real property as a result of new construction, additions to existing buildings, any improvements to real property which increase the value of such property, and any increase in valuation due to annexation and any personal property valuation over the prior year and (b) for community colleges, the percentage increase in excess of the base limitation, if any, in full-time equivalent students from the second year to the first year preceding the year for which the budget is being determined;

(2) Capital improvements means (a) acquisition of real property or (b) acquisition, construction, or extension of any improvements on real property;

(3) Governing body has the same meaning as in section 13-503;

(4) Governmental unit means every political subdivision which has

authority to levy a property tax or authority to request levy authority under section 77-3443 except sanitary and improvement districts which have been in existence for five years or less and school districts;

(5) Qualified sinking fund means a fund or funds maintained separately from the general fund to pay for acquisition or replacement of tangible personal property with a useful life of five years or more which is to be undertaken in the future but is to be paid for in part or in total in advance using periodic payments into the fund. The term includes sinking funds under subdivision (13) of section 35-508 for firefighting and rescue equipment or apparatus;

(6) Restricted funds means (a) property tax, excluding any amounts refunded to taxpayers, (b) payments in lieu of property taxes, (c) local option sales taxes, (d) motor vehicle taxes, (e) state aid, (f) transfers of surpluses from any user fee, permit fee, or regulatory fee if the fee surplus is transferred to fund a service or function not directly related to the fee and the costs of the activity funded from the fee, (g) any funds excluded from restricted funds for the prior year because they were budgeted for capital improvements but which were not spent and are not expected to be spent for capital improvements, (h) the tax provided in sections 77-27,223 to 77-27,227 beginning in the second fiscal year in which the county will receive a full year of receipts, and (i) any excess tax collections returned to the county under section 77-1776; and

(7) State aid means:

(a) For all governmental units, state aid paid pursuant to ~~sections 60-305.15 and~~ section 77-3523 and section 12 of this act;

(b) For municipalities, state aid to municipalities paid pursuant to sections 18-2605, 39-2501 to 39-2520, 60-3007, 77-27,136, and 77-27,139.04 and insurance premium tax paid to municipalities;

(c) For counties, state aid to counties paid pursuant to sections 39-2501 to 39-2520, 47-119.01, 60-3001 to 60-3007, 77-27,136, and 77-3618, insurance premium tax paid to counties, and reimbursements to counties from funds appropriated pursuant to section 29-3933;

(d) For community colleges, state aid to community colleges paid under sections 85-1536 to 85-1537.01;

(e) For natural resources districts, state aid to natural resources districts paid pursuant to section 77-27,136; and

(f) For educational service units, state aid appropriated under section 79-1241.

Sec. 17. Section 39-2215, Revised Statutes Supplement, 2002, is amended to read:

39-2215. (1) There is hereby created in the state treasury a special fund to be known as the Highway Trust Fund.

(2) All funds credited to the Highway Trust Fund pursuant to sections 66-4,140, 66-4,147, 66-669, and 66-6,108, and related penalties and interest, shall be allocated as provided in such sections. The State Treasurer shall make the transfer to the General Fund required by section 66-499.

(3) All other motor vehicle fuel taxes, diesel fuel taxes, compressed fuel taxes, and alternative fuel taxes related to highway use retained by the state, all motor vehicle registration fees retained by the state other than those fees credited to the State Recreation Road Fund pursuant to section 60-302, and other highway-user taxes imposed by state law and allocated to the Highway Trust Fund, except for the proceeds of the sales and use taxes derived from motor vehicles, trailers, and semitrailers credited to the fund pursuant to section 77-27,132, are hereby irrevocably pledged for the terms of the bonds issued prior to January 1, 1988, to the payment of the principal, interest, and redemption premium, if any, of such bonds as they mature and become due at maturity or prior redemption and for any reserves therefor and shall, as received by the State Treasurer, be deposited in the fund for such purpose.

(4) Of the money in the fund specified in subsection (3) of this section which is not required for the use specified in such subsection, (a) an amount equal to three dollars times the number of motorcycles registered during the previous month shall be placed in the Motorcycle Safety Education Fund, (b) an amount to be determined annually by the Legislature through the appropriations process may be transferred to the Motor Fuel Tax Enforcement and Collection Cash Fund for use as provided in section 66-738 on a monthly or other less frequent basis as determined by the appropriation language, (c) an amount to be determined annually by the Legislature through the appropriations process shall be transferred to the License Plate Cash Fund as needed to meet the current obligations associated with the manufacture of license plates and stickers or tabs provided for in sections 60-311, 60-311.02, and 60-1804, as

certified by the Director of Motor Vehicles, and (d) the remaining money may be used for the purchase for retirement of the bonds issued prior to January 1, 1988, in the open market.

(5) The State Treasurer shall monthly transfer, from the proceeds of the sales and use taxes credited to the Highway Trust Fund and any money remaining in the fund after the requirements of subsections (2) through (4) of this section are satisfied, (a) thirty thousand dollars to the Grade Crossing Protection Fund, (b) the amount calculated pursuant to section 13-1210 for financing the operating costs of public transportation systems to the Highway Cash Fund, and (c) each month beginning October 2002 through June 2003, one million six hundred thousand dollars to the Cash Reserve Fund.

(6) Except as provided in subsection (7) of this section, the balance of the Highway Trust Fund shall be allocated fifty-three and one-third percent, less the amount provided for in section 39-847.01, to the Department of Roads, twenty-three and one-third percent, less the amount provided for in section 39-847.01, to the various counties for road purposes, and twenty-three and one-third percent to the various municipalities for street purposes. If bonds are issued pursuant to subsection (2) of section 39-2223, the portion allocated to the Department of Roads shall be credited monthly to the Highway Restoration and Improvement Bond Fund, and if no bonds are issued pursuant to such subsection, the portion allocated to the department shall be credited monthly to the Highway Cash Fund. The portions allocated to the counties and municipalities shall be credited monthly to the Highway Allocation Fund and distributed monthly as provided by law. Vehicles accorded prorated registration pursuant to section ~~60-305.09~~ 8 of this act shall not be included in any formula involving motor vehicle registrations used to determine the allocation and distribution of state funds for highway purposes to political subdivisions.

(7) If it is determined by December 20 of any year that a county will receive from its allocation of state-collected highway revenue and from any funds relinquished to it by municipalities within its boundaries an amount in such year which is less than such county received in state-collected highway revenue in calendar year 1969, based upon the 1976 tax rates for highway-user fuels and registration fees, the Department of Roads shall notify the State Treasurer that an amount equal to the sum necessary to provide such county with funds equal to such county's 1969 highway allocation for such year shall be transferred to such county from the Highway Trust Fund. Such makeup funds shall be matched by the county as provided in sections 39-2501 to 39-2510. The balance remaining in the fund after such transfer shall then be reallocated as provided in subsection (6) of this section.

(8) The State Treasurer shall disburse the money in the Highway Trust Fund as directed by resolution of the commission. All disbursements from the fund shall be made upon warrants drawn by the Director of Administrative Services. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act and the earnings, if any, credited to the fund.

Sec. 18. Section 60-102, Revised Statutes Supplement, 2002, is amended to read:

60-102. Sections 60-102 to 60-117 shall apply to motor vehicles, commercial trailers, and semitrailers required to be registered under sections 60-301 to 60-306 and all cabin trailers defined in section 60-614 whether or not any such cabin trailer is required to be registered under sections 60-301 to 60-306.

Sections 60-102 to 60-117 shall not apply to:

(1) ~~Foreign trucks~~ Trucks and buses from other jurisdictions required to pay registration fees under sections 60-301 to 60-306 except a vehicle registered or eligible to be registered as part of a fleet of apportionable vehicles under section ~~60-305.09~~ 8 of this act;

(2) Trailers of farmers or ranchers used wholly and exclusively to carry supplies to the owner's farm or ranch, used by the farmer or rancher to carry his or her own products to storage or market, or used by farmers or ranchers for such hauling of such supplies or products in exchange of services;

(3) Road and general-purpose construction and maintenance machinery not designed or used primarily for the transportation of persons or property, including, but not limited to, ditchdigging apparatus, well-boring apparatus, asphalt spreaders, bucket loaders, leveling graders, earthmoving carryalls, power shovels, earthmoving equipment, crawler tractors, backhoes, bulldozers, and front-end loaders; and

(4) Minibikes as defined in section 60-636, mopeds as defined in section 60-637, and electric personal assistive mobility devices as defined in

section 60-618.02.

Sec. 19. Section 60-104, Reissue Revised Statutes of Nebraska, is amended to read:

60-104. No person, except as provided in section 60-103, shall sell or otherwise dispose of a motor vehicle, commercial trailer, semitrailer, or cabin trailer without (1) delivering to the purchaser or transferee of such vehicle or trailer a certificate of title with such assignment thereon as may be necessary to show title in the purchaser and (2) having affixed to the vehicle, pursuant to section 60-105, its vehicle identification number if it is not already affixed, nor purchase or otherwise acquire or bring into this state a motor vehicle, commercial trailer, semitrailer, or cabin trailer except for temporary use.

No purchaser or transferee shall receive a certificate of title which does not contain such assignment as may be necessary to show title in the purchaser or transferee. Possession of a title which does not meet this requirement shall be prima facie evidence of a violation of this provision, and such purchaser or transferee, upon conviction, shall be subject to the penalties provided by section 60-117.

No motor vehicle, commercial trailer, semitrailer, or cabin trailer shall be eligible for initial registration in this state, except a vehicle registered or eligible to be registered as part of a fleet of apportionable vehicles under section ~~60-305.09~~ 8 of this act, unless the provisions of sections 60-102 to 60-117 have been complied with insofar as the motor vehicle, commercial trailer, semitrailer, or cabin trailer is concerned.

Sec. 20. Section 60-106, Revised Statutes Supplement, 2002, is amended to read:

60-106. (1) Each county shall issue and file certificates of title using the vehicle titling and registration computer system prescribed by the Department of Motor Vehicles.

(2) (a) Application for a certificate of title shall be made upon a form prescribed by the Department of Motor Vehicles. All applications shall be accompanied by the fee prescribed in section 60-115.

(b) All applications for a certificate of title to a mobile home as defined in subdivision (2) of section 60-614 shall be accompanied by a mobile home transfer statement prescribed by the Property Tax Administrator. The mobile home transfer statement shall be filed by the applicant with the county clerk of the county of application for title. The county clerk shall issue a certificate of title to a mobile home but shall not deliver the certificate of title unless the mobile home transfer statement accompanies the application for title, except that the failure to provide the mobile home transfer statement shall not prevent the notation of a lien on the face of the certificate of title to the mobile home pursuant to section 60-110 and delivery to the holder of the first lien. The county clerk shall retain the original copy of the mobile home transfer statement, forward two copies to the county assessor, and provide a copy to the applicant.

(3) (a) If the motor vehicle has situs in Nebraska, the application shall be filed with the county clerk of the county in which the vehicle has situs as defined in section 60-3001.

(b) If the applicant is a nonresident, the application shall be filed in the county in which the transaction is consummated.

(c) All applicants registering a vehicle pursuant to section ~~60-305.09~~ 8 of this act shall file the application for title to the vehicle with the Division of Motor Carrier Services of the Department of Motor Vehicles. The division shall deliver the certificate to the applicant if there are no liens on the vehicle. If there are any liens on the vehicle, the division shall deliver or mail the certificate of title to the holder of the first lien on the day of issuance. All certificates of title issued by the division shall be issued in the manner prescribed for the county clerk in section 60-107.

(4) If a certificate of title has previously been issued for the motor vehicle in this state, the application for a new certificate of title shall be accompanied by the certificate of title duly assigned unless otherwise provided for in sections 60-102 to 60-117. If a certificate of title has not previously been issued for the motor vehicle in this state or if a certificate of title is unavailable pursuant to subsection (4) of section 52-1801, the application, unless otherwise provided for in sections 60-102 to 60-117, shall be accompanied by a manufacturer's or importer's certificate, as provided for in such sections, a duly certified copy thereof, a certificate of title, a court order issued by a court of record, a manufacturer's certificate of origin, or an assigned registration certificate, if the law of the state from which the motor vehicle was brought into this state does not have a certificate of title law. If the application for a certificate of title in

this state is accompanied by a valid certificate of title issued by another state which meets that state's requirements for transfer of ownership, then the application may be accepted by this state. For purposes of this subsection, certificate of title shall include a salvage certificate, a salvage branded certificate of title, or any other document of ownership issued by another state or jurisdiction for a salvage vehicle. Only a salvage branded certificate of title shall be issued to any vehicle conveyed upon a salvage certificate, a salvage branded certificate of title, or any other document of ownership issued by another state or jurisdiction for a salvage vehicle. If a certificate of title has not previously been issued for the vehicle in this state and the applicant is unable to provide such documentation, the applicant may apply for a bonded certificate of title as prescribed in section 60-111.01. The county clerk shall retain the evidence of title presented by the applicant and on which the certificate of title is issued.

(5) The county clerk shall use reasonable diligence in ascertaining whether or not the statements in the application for a certificate of title are true by checking the application and documents accompanying the same with the records of motor vehicles in his or her office. If he or she is satisfied that the applicant is the owner of such motor vehicle and that the application is in the proper form, the county clerk shall issue a certificate of title over his or her signature and sealed with his or her seal.

(6) In the case of the sale of a motor vehicle, the certificate of title shall be obtained in the name of the purchaser upon application signed by the purchaser, except that (a) for titles to be held by husband and wife, applications may be accepted upon the signature of either one as a signature for himself or herself and as agent for his or her spouse and (b) for an applicant providing proof that he or she is a handicapped or disabled person as defined in section 18-1738, applications may be accepted upon the signature of the applicant's parent, legal guardian, foster parent, or agent.

(7) In all cases of transfers of motor vehicles, commercial trailers, semitrailers, or cabin trailers, the application for a certificate of title shall be filed within thirty days after the delivery of such vehicle or trailer. A licensed dealer need not apply for certificates of title for motor vehicles, commercial trailers, semitrailers, or cabin trailers in stock or acquired for stock purposes, but upon transfer of such vehicle or trailer in stock or acquired for stock purposes, the licensed dealer shall give the transferee a reassignment of the certificate of title on such vehicle or trailer or an assignment of a manufacturer's or importer's certificate. If all reassignments on the certificate of title have been used, the licensed dealer shall obtain title in his or her name prior to any subsequent transfer.

(8) An application for a certificate of title shall include a statement that an identification inspection has been conducted on the vehicle unless (a) the title sought is a salvage branded certificate of title or a nontransferable certificate of title provided for in section 60-131, (b) the surrendered ownership document is a Nebraska certificate of title, a manufacturer's statement of origin, an importer's statement of origin, a United States Government Certificate of Release of a motor vehicle, or a nontransferable certificate of title issued under section 60-131, (c) the application for a certificate of title contains a statement that such vehicle is to be registered under section ~~60-305.09~~ 8 of this act, (d) the vehicle is a cabin trailer, (e) the title sought is the first title for a motor vehicle sold directly by the manufacturer of the motor vehicle to a licensed dealer franchised by the manufacturer, or (f) the vehicle was sold at an auction authorized by the manufacturer and purchased by a licensed dealer franchised by the manufacturer of the motor vehicle. The Department of Motor Vehicles shall prescribe a form to be executed by a dealer and submitted with an application for a certificate of title for vehicles exempt from inspection pursuant to subdivision (8)(e) or (f) of this section, which form shall clearly identify the vehicle and state under penalty of law that the vehicle is exempt from inspection. The statement that an identification inspection has been conducted shall be furnished by the county sheriff of any county or by any other holder of a current certificate of training issued pursuant to section 60-121 and shall be in a format as determined by the department. The county clerk shall accept a certificate of inspection, approved by the Superintendent of Law Enforcement and Public Safety, from an officer of a state police agency of another state. For each inspection a fee of ten dollars shall be paid to the county treasurer. All such fees shall be credited to the county sheriff's vehicle inspection account within the county general fund. The identification inspection required by this subsection shall include examination and notation of the current odometer reading and a comparison of the vehicle identification number with the number listed on the

ownership records, except that if a lien is registered against a vehicle and recorded on the vehicle's ownership records, the county clerk shall provide a copy of the ownership records for use in making such comparison. If such numbers are not identical, if there is reason to believe further inspection is necessary, or if the inspection is for a Nebraska assigned number, the person performing the inspection shall make a further inspection of the vehicle which may include, but shall not be limited to, examination of other identifying numbers placed on the vehicle by the manufacturer and an inquiry into the numbering system used by the state issuing such ownership records to determine ownership of a vehicle. The identification inspection shall also include a statement that the vehicle identification number has been checked for entry in the National Crime Information Center and the Nebraska Crime Information Service. If there is cause to believe that odometer fraud exists, written notification shall be given to the office of the Attorney General. If after such inspection the sheriff or his or her designee determines that the vehicle is not the vehicle described by the ownership records, no statement shall be issued. In the case of an assembled vehicle such inspection shall include, but not be limited to, an examination of the records showing the date of receipt and source of each major component part as defined in section 60-2601.

(9) An application for a certificate of title for a mobile home or cabin trailer shall be accompanied by a certificate that states that sales or use tax has been paid on the purchase of the mobile home or cabin trailer or that the transfer of title was exempt from sales and use taxes. The county clerk shall issue a certificate of title for a mobile home or cabin trailer but shall not deliver the certificate of title unless the certificate required under this subsection accompanies the application for certificate of title for the mobile home or cabin trailer, except that the failure of the application to be accompanied by such certificate shall not prevent the notation of a lien on the face of the certificate of title to the mobile home or cabin trailer pursuant to section 60-110 and delivery to the holder of the first lien.

(10) If a county board consolidates services under the office of a designated county official other than the county clerk pursuant to section 23-186:

(a) Applications under subsections (2), (3), and (9) of this section shall be submitted to the designated county official;

(b) The designated county official shall perform the duties imposed on the county clerk under subsections (2), (5), and (9) of this section;

(c) The designated county official may accept certificates of inspection under the conditions described in subsection (8) of this section; and

(d) The designated county official shall act as office of record for title documents, applications, odometer statements, certificates of inspections, and lien and cancellation of lien notations.

Sec. 21. Section 60-301, Revised Statutes Supplement, 2002, is amended to read:

60-301. For purposes of Chapter 60, article 3, unless the context otherwise requires:

(1) Agricultural products means field crops and horticultural, viticultural, forestry, nut, dairy, livestock, poultry, bee, and farm products, including sod grown on the land owned or rented by the farmer, and the byproducts derived from any of them;

(2) Apportionable vehicle means any vehicle used or intended for use in two or more member jurisdictions that allocate or proportionally register vehicles and used for the transportation of persons for hire or designed, used, or maintained primarily for the transportation of property. Apportionable vehicle does not include any recreational vehicle, vehicle displaying restricted plates, city pickup and delivery vehicle, bus used in the transportation of chartered parties, or government-owned vehicle. Such vehicle shall either (a) be a power unit having two axles and a gross vehicle weight or registered gross vehicle weight in excess of twenty-six thousand pounds, (b) be a power unit having three or more axles, regardless of weight, or (c) be used in combination when the weight of such combination exceeds twenty-six thousand pounds gross vehicle weight. Vehicles or combinations of vehicles having a gross vehicle weight of twenty-six thousand pounds or less and two-axle vehicles and buses used in the transportation of chartered parties may be proportionally registered at the option of the registrant;

(3) Automobile liability policy means liability insurance written by an insurance carrier duly authorized to do business in this state protecting other persons from damages for liability on account of accidents occurring subsequent to the effective date of the insurance arising out of the ownership of a motor vehicle (a) in the amount of twenty-five thousand dollars because of bodily injury to or death of one person in any one accident, (b) subject to

the limit for one person, in the amount of fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and (c) in the amount of twenty-five thousand dollars because of injury to or destruction of property of other persons in any one accident. An automobile liability policy shall not exclude liability coverage under the policy solely because the injured person making a claim is the named insured in the policy or residing in the household with the named insured;

(4) Base jurisdiction means, for purposes of fleet registration, the jurisdiction where the registrant has an established place of business, where miles or kilometers are accrued by the fleet, and where operational records of such fleet are maintained or can be made available. For such purpose, there is hereby adopted and incorporated by reference section 1602 of Article XVI, International Registration Plan, adopted by the American Association of Motor Vehicle Administrators, as revised October 1, 2001;

(5) ~~(4)~~ Cabin trailer means any vehicle without motive power designed for living quarters and for being drawn by a motor vehicle and not exceeding one hundred two inches in width, forty feet in length, or thirteen and one-half feet in height, except as provided in subdivision (2)(k) of section 60-6,288;

(6) ~~(5)~~ Commercial trailer means any trailer or semitrailer designed, used, or maintained for the transportation of persons or property for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property and does not include farm trailers, fertilizer trailers, utility trailers, or cabin trailers;

(7) ~~(6)~~ Commercial vehicle means any motor vehicle used or maintained for the transportation of persons or property for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property and does not include farm trucks;

(8) ~~(7)~~ Evidence of insurance means evidence of a current and effective automobile liability policy;

(9) ~~(8)~~ Farm trailer means any trailer or semitrailer (a) used exclusively to carry a farmer's or rancher's own supplies, farm equipment, and household goods to or from the owner's farm or ranch, (b) used by the farmer or rancher to carry his or her own agricultural products, livestock, and produce to or from storage and market and attached to a passenger car, commercial-licensed vehicle registered for sixteen tons or less, or farm-licensed vehicle, or (c) used by a farmer or rancher to carry his or her own agricultural products, livestock, and produce to and from market. Such trailers shall carry on their license plate, in addition to the registration number, the letter X. Farm trailer does not include a trailer so used when attached to a farm tractor;

(10) ~~(9)~~ Farm trucks means trucks, including combinations of trucks or truck-tractors and trailers or semitrailers, of farmers or ranchers (a) used exclusively to carry a farmer's or rancher's own supplies, farm equipment, and household goods to or from the owner's farm or ranch, (b) used by the farmer or rancher to carry his or her own agricultural products, livestock, and produce to or from storage or market, (c) used by farmers or ranchers in exchange of service in such hauling of such supplies or agricultural products, livestock, and produce, or (d) used occasionally to carry camper units, to pull boats or cabin trailers, or to carry or pull museum pieces or vehicles of historical significance, without compensation, to events for public display or educational purposes. Such trucks may carry on their license plates, in addition to the registration number, the designation farm and the words NOT FOR HIRE;

(11) ~~(10)~~ Fertilizer trailer means any trailer, including gooseneck applicators or trailers, designed and used exclusively to carry or apply agricultural fertilizer or agricultural chemicals and having a gross weight, including load thereon, of twenty thousand pounds or less. Such trailers shall carry on their license plate, in addition to the registration number, the letter X;

(12) ~~(11)~~ Film vehicle means any motor vehicle or trailer used exclusively by a nonresident production company temporarily on location in Nebraska producing a feature film, television commercial, documentary, or industrial or educational videotape production;

(13) ~~(12)~~ Fleet means one or more apportionable vehicles;

(14) ~~(13)~~ Highways means public streets, roads, turnpikes, parks, parkways, drives, alleys, and other public ways used for the passage of road vehicles;

(15) Injurisdiction distance ~~(14)~~ Instate miles means total miles or kilometers operated (a) in the State of Nebraska during the preceding year by the motor vehicle or vehicles registered and licensed for fleet operation and (b) in noncontracting reciprocity ~~states~~ jurisdictions by fleet vehicles that

are base-plated in Nebraska;

(16) ~~(15)~~ Local truck means a truck and combinations of trucks, truck-tractors, or trailers or semitrailers operated solely within an incorporated city or village or within ten miles of the corporate limits of the city or village in which they are owned, operated, and registered. Such trucks shall carry on their license plates, in addition to the registration number, the designation of local truck;

(17) ~~(16)~~ Motor vehicle means any vehicle propelled by any power other than muscular power except (a) mopeds as defined in section 60-637, (b) farm tractors, (c) self-propelled equipment designed and used exclusively to carry and apply fertilizer, chemicals, or related products to agricultural soil and crops, agricultural floater-spreader implements as defined in section 60-6,294.01, and other implements of husbandry designed for and used primarily for tilling the soil and harvesting crops or feeding livestock, (d) power unit hay grinders or a combination which includes a power unit and a hay grinder when operated without cargo, (e) vehicles which run only on rails or tracks, (f) off-road designed vehicles, including, but not limited to, golf carts, go-carts, riding lawnmowers, garden tractors, all-terrain vehicles as defined in section 60-6,355, snowmobiles as defined in section 60-663, and minibikes as defined in section 60-636, (g) road and general-purpose construction and maintenance machinery not designed or used primarily for the transportation of persons or property, including, but not limited to, ditchdigging apparatus, asphalt spreaders, bucket loaders, leveling graders, earthmoving carryalls, power shovels, earthmoving equipment, and crawler tractors, (h) self-propelled chairs used by persons who are disabled, and (i) electric personal assistive mobility devices as defined in section 60-618.02;

(18) ~~(17)~~ Motorcycle means any motor vehicle, except a tractor, an all-terrain vehicle as defined in section 60-6,355, or an electric personal assistive mobility device as defined in section 60-618.02, having a seat or saddle for use of the rider and designed to travel on not more than three wheels in contact with the ground;

(19) ~~(18)~~ Noncontracting reciprocity state jurisdiction means any state jurisdiction which is not a party to any type of contracting agreement between the State of Nebraska and one or more other jurisdictions for registration purposes on commercial vehicles and, as a condition to operate on the highways of that ~~state jurisdiction~~, (a) does not require any type of vehicle registration or allocation of vehicles for registration purposes or (b) does not impose any charges based on miles operated, other than those that might be assessed against fuel consumed in that state jurisdiction, on any vehicles which are part of a Nebraska-based fleet;

(20) ~~(19)~~ Owner means a person, firm, or corporation which holds a legal title of a vehicle. If (a) a vehicle is the subject of an agreement for the conditional sale thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee, (b) a vehicle is subject to a lease of thirty days or more with an immediate right of possession vested in the lessee, or (c) a mortgagor of a vehicle is entitled to possession, then such conditional vendee, lessee, or mortgagor shall be deemed the owner for purposes of Chapter 60, article 3. For such purpose, there are hereby adopted and incorporated by reference the provisions of Article XI, International Registration Plan, adopted by the American Association of Motor Vehicle Administrators, as revised ~~November 1976~~ October 1, 2001;

(21) ~~(20)~~ Park means to stop a vehicle for any length of time, whether occupied or unoccupied;

(22) ~~(21)~~ Passenger car means a motor vehicle designed and used to carry ten passengers or less and not used for hire;

(23) ~~(22)~~ Proof of financial responsibility has the same meaning as in section 60-501;

(24) ~~(23)~~ Self-propelled mobile home means a vehicle with motive power designed for living quarters;

(25) ~~(24)~~ Semitrailer means any vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that some part of its weight and that of its load rests upon or is carried by the towing vehicle;

(26) ~~(25)~~ Suspension of operator's license has the same meaning as in section 60-476.02;

(27) ~~(26)~~ Total fleet ~~miles~~ distance means the total ~~number of miles~~ distance operated in all jurisdictions during the preceding year by the vehicles in such fleet during such year;

(28) ~~(27)~~ Trailer means any vehicle without motive power designed for carrying persons or property and being pulled by a motor vehicle and so constructed that no part of its weight rests upon the towing vehicle;

(29) ~~(28)~~ Transporter means any person lawfully engaged in the business of transporting vehicles not his or her own solely for delivery thereof (a) by driving singly, (b) by driving in combinations by the towbar, fullmount, or saddlemount methods or any combinations thereof, or (c) when a truck or tractor draws a semitrailer or tows a trailer;

(30) ~~(29)~~ Truck means a motor vehicle that is designed, used, or maintained primarily for the transportation of property;

(31) ~~(30)~~ Truck-tractor means any motor vehicle designed and used primarily for drawing other vehicles and not so constructed as to carry a load other than a part of the weight of the vehicle and load being drawn;

(32) ~~(31)~~ Utility trailer means a trailer having a gross weight, including load thereon, of nine thousand pounds or less attached to a motor vehicle and used exclusively to carry miscellaneous items of personal property. Such trailers shall carry on their license plate, in addition to the registration number, the letter X; and

(33) ~~(32)~~ Vehicle means any device in, upon, or by which any person or property is or may be transported or drawn upon a public highway except devices moved solely by human power or used exclusively upon stationary rails or tracks.

Sec. 22. Section 60-305.02, Reissue Revised Statutes of Nebraska, is amended to read:

60-305.02. Trucks, truck-tractors, semitrailers, trailers, or buses, from ~~states~~ a jurisdiction other than Nebraska, entering Nebraska shall be required to comply with all the laws and regulations of any nature imposed on Nebraska trucks, truck-tractors, semitrailers, trailers, or buses unless the ~~state or states~~ jurisdiction in which such trucks, truck-tractors, semitrailers, trailers, or buses are domiciled ~~grant~~ grants reciprocity comparable to that extended by the laws of Nebraska.

Sec. 23. Section 60-305.03, Revised Statutes Supplement, 2002, is amended to read:

60-305.03. (1) In case a ~~foreign state or territory~~ jurisdiction is not reciprocal as to license fees on commercial trucks, truck-tractors, semitrailers, trailers, or buses, the owners of such nonresident vehicles from those ~~states or territories~~ jurisdictions shall pay the same license fees as are charged residents of this state. The owners of all ~~foreign~~ trucks, truck-tractors, semitrailers, trailers, or buses from other jurisdictions doing ~~intrastate~~ intrajurisdiction hauling in this state shall pay the same registration fees as those paid by residents of this state unless such vehicles are registered as a part of a fleet in ~~interstate~~ interjurisdiction commerce as provided in section ~~60-305.09~~ 8 of this act.

(2) In order to effect the purposes of subsection (1) of this section and ~~sections~~ section 60-305.02 and ~~60-305.09~~ section 8 of this act, the Director of Motor Vehicles shall have the power, duty, and authority to enter into reciprocal agreements with the duly authorized representatives of other jurisdictions, including states, districts, territories, or possessions of the United States and foreign countries, states, or provinces, granting to vehicles or owners of vehicles which are properly registered or licensed in such jurisdictions, and for which evidence of compliance is supplied, benefits, privileges, and exemptions from the payment, wholly or partially, of any fees or other charges imposed upon such vehicles or owners with respect to the operation or ownership of such vehicles under the laws of this state. Such agreements or arrangements shall provide that vehicles registered or licensed in this state when operated upon the highways of such other jurisdictions shall receive exemptions, benefits, and privileges of a similar kind or to a similar degree as are extended to vehicles from such jurisdictions in this state. Such agreements may be revised or replaced by new agreements from time to time in order to promote greater uniformity among the ~~states~~ jurisdictions. The director may withdraw from any agreement when he or she determines that it is for the best interest of the State of Nebraska upon thirty days' notice.

Notwithstanding any provisions of the Nebraska statutes to the contrary or inconsistent herewith, such agreements may provide, with respect to resident or nonresident fleets of apportionable commercial vehicles which are engaged in ~~interstate and intrastate~~ interjurisdiction and intrajurisdiction commerce, that the registrations of such fleets can be apportioned between this state and other ~~states~~ jurisdictions in which such fleets operate in accordance with the method set out in section ~~60-305.09~~ 8 of this act. A Nebraska-based fleet owner may include trucks, truck-tractors, trailers, and semitrailers in such apportionable fleet by listing them in an application filed pursuant to section ~~60-305.09~~ 8 of this act, and any trucks, truck-tractors, trailers, or semitrailers so included shall be eligible for permanent license plates issued pursuant to section ~~60-305.16~~ 13 of this act.

The registration procedure required by section ~~60-305.09~~ 8 of this act shall be the only such registration required, and when the fees required by such section and section ~~60-305.16~~ 13 of this act if applicable have been paid, the trucks, truck-tractors, trailers, and semitrailers listed on the application shall be duly registered as part of such Nebraska-based fleet and shall be considered part of a Nebraska-based fleet for purposes of taxation.

(3) In the absence of an agreement or arrangement with any jurisdiction, the director is authorized to examine the laws and requirements of such jurisdiction and to declare the extent and nature of exemptions, benefits, and privileges to be extended to vehicles registered in such jurisdiction or to the owners or operators of such vehicles.

When no written agreement or arrangement has been entered into with another jurisdiction or declaration issued pertaining thereto, any vehicle properly registered in such jurisdiction, and for which evidence of compliance is supplied, may be operated in this state and shall receive the same exemptions, benefits, and privileges granted by such other jurisdiction to vehicles registered in this state.

(4) When a truck, truck-tractor, trailer, or semitrailer has been duly registered in any jurisdiction, including those that are part of a Nebraska-based fleet registered pursuant to section ~~60-305.09~~ 8 of this act, no additional registration or license fee therefor, except as provided in section ~~60-305.16~~ 13 of this act if applicable, shall be required in this state when such truck, truck-tractor, trailer, or semitrailer is operated in combination with any truck, truck-tractor, trailer, or semitrailer properly licensed or registered in accordance with ~~sections 60-301, 60-305.03, 60-305.09, and 60-305.10~~ this section and section 8 of this act or agreements, arrangements, or declarations pursuant to such sections.

(5) All agreements, arrangements, declarations, and amendments authorized by ~~sections 60-301, 60-305.03, 60-305.09, and 60-305.10~~ this section and section 8 of this act shall be in writing and shall become effective when filed in the office of the director.

(6) Agreements or arrangements entered into or declarations issued under the authority of this section may contain provisions denying exemptions, benefits, and privileges granted in such agreements, arrangements, or declarations to any vehicle which is in violation of conditions stated in such agreements, arrangements, or declarations.

(7) Properly registered shall mean a vehicle licensed or registered in one of the following: (a) The jurisdiction where the person registering the vehicle has his or her legal residence; (b) the jurisdiction in which a commercial vehicle is registered, when the operation in which such vehicle is used has a principal place of business therein, and from or in which the vehicle is most frequently dispatched, garaged, serviced, maintained, operated, or otherwise controlled and the vehicle is assigned to such principal place of business; or (c) the jurisdiction where, because of an agreement or arrangement between two or more jurisdictions or pursuant to a declaration, the person registering the commercial vehicle has licensed the vehicle as required by such jurisdiction.

(8) It shall be unlawful to operate trucks, truck-tractors, semitrailers, trailers, or buses owned by nonresidents who are not in compliance with subsections (1) and (2) of this section and with section 60-305.02 or any agreement executed under the authority granted ~~hereunder~~ in this section.

Sec. 24. Section 60-305.04, Reissue Revised Statutes of Nebraska, is amended to read:

60-305.04. A nonresident may, if he or she applies within ninety days from his or her original registration date and surrenders the registration certificate and license plates which were assigned to him or her, receive from the county treasurer or designated county official as provided in section 60-302, or the Department of Motor Vehicles if registration was pursuant to section ~~60-305.09~~ 8 of this act, a refund in the amount of fifty percent of the original license fee, fifty percent of the motor vehicle tax imposed in section 60-3002, and fifty percent of the motor vehicle fee imposed in section 60-3007, except that no refunds shall be made on any license surrendered after the ninth month of the registration period for which the vehicle was registered.

Sec. 25. Section 60-306, Reissue Revised Statutes of Nebraska, is amended to read:

60-306. The Department of Motor Vehicles is hereby authorized to enforce ~~the provisions of~~ sections 60-302 to ~~60-305.10~~ 60-305.08 and the International Registration Plan Act.

Sec. 26. Section 60-310, Revised Statutes Supplement, 2002, is amended to read:

60-310. (1) Registration may be renewed annually in the same manner and upon payment of the same fee as provided for the original registration. On making an application for renewal, the registration certificate for the preceding registration period shall be presented with the application.

(2) The certificate of registration and license plates furnished by the department shall be valid during the registration period for which they are issued, and when renewal tabs furnished pursuant to section 60-311 have been affixed to the license plates, the plates shall also be valid for the registration period designated by such renewal tabs.

(3) The registration period for motor vehicles, trailers, semitrailers, and cabin trailers required to be registered as provided in section 60-302 shall expire on the first day of the month one year from the month of issuance, and renewal shall become due on such day and shall become delinquent on the first day of the following month.

(4) Subsections (1) through (3) of this section do not apply to dealer's license plates, repossession plates, and transporter plates as provided in section 60-320, which plates shall be issued for a calendar year. The registration period for vehicles licensed as apportioned vehicles as provided in section ~~60-305.09~~ 8 of this act shall expire December 31 of each year and shall become delinquent February 1 of the following year.

(5) Any owner who has two or more vehicles required to be registered under Chapter 60, article 3, may register all such vehicles on a calendar-year basis or on an annual basis for the same registration period beginning in a month chosen by the owner. When electing to establish the same registration period for all such vehicles, the owner shall pay the registration fee, the motor vehicle tax imposed in section 60-3002, and the motor vehicle fee imposed in section 60-3007 on each vehicle for the number of months necessary to extend its current registration period to the registration period under which all such vehicles will be registered. Credit shall be given for registration paid on each vehicle when the vehicle has a later expiration date than that chosen by the owner except as otherwise provided in sections 60-311.23 and 60-315.01. Thereafter all such vehicles shall be registered on an annual basis starting in the month chosen by the owner.

Sec. 27. Section 60-311, Revised Statutes Supplement, 2002, is amended to read:

60-311. (1) The Department of Motor Vehicles shall furnish to every person whose motor vehicle is registered fully reflectorized license plates upon which shall be displayed (a) the registration number consisting of letters and numerals assigned to such motor vehicle in figures not less than two and one-half inches nor more than three inches in height and (b) also the word Nebraska suitably lettered so as to be attractive. Two plates shall be furnished for every motor vehicle, except that one plate per vehicle shall be furnished for dealers, motorcycles, truck-tractors, semitrailers, trailers, cabin trailers, buses, and vehicles registered pursuant to section ~~60-305.09~~ 8 of this act. The plates shall be of a color designated by the Director of Motor Vehicles. The color of the plates shall be changed each time the license plates are changed. Each time the license plates are changed the director shall secure competitive bids for materials pursuant to sections 81-145 to 81-162.

(2) Except for license plates issued pursuant to section ~~60-305.16~~ 13 of this act, license plates shall be issued every three years beginning with the license plates issued in the year 1984. Except for plates issued pursuant to section ~~60-305.16~~ 13 of this act, in the years in which plates are not issued, in lieu of furnishing such plates, the department shall furnish to every person whose motor vehicle is registered one or two renewal tabs, as the case may be, which renewal tabs shall bear the year for which furnished and be so constructed as to permit them to be permanently affixed to the plates.

(3) The department may provide a distinctive license plate for all motor vehicles owned or operated by the state, counties, municipalities, or school districts. Such government-owned motor vehicles shall display such distinctive license plates when such license plates are issued or shall display undercover license plates when such license plates are issued under section 60-304.

(4) The department shall provide a distinctive plate for issuance pursuant to section ~~60-305.16~~ 13 of this act.

(5) Whenever new license plates, including duplicate or replacement license plates, are furnished to any person, a fee per plate shall be charged in addition to all other required fees. The plate fee shall be determined by the department and shall only cover the cost of the plate and renewal tabs and stickers but shall not exceed two dollars and fifty cents. All fees collected pursuant to this section shall be remitted to the State Treasurer for credit to the Highway Trust Fund.

(6) There is hereby created the License Plate Cash Fund which shall consist of money transferred to it pursuant to section 39-2215. All costs associated with the manufacture of license plates and stickers or tabs provided for in this section and sections 60-311.01, 60-311.02, 60-6,322, and 60-1804 shall be paid from funds appropriated from the License Plate Cash Fund. The fund shall be used exclusively for such purposes and shall be administered by the department. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 28. Section 60-311.02, Revised Statutes Supplement, 2002, is amended to read:

60-311.02. The letters and numerals for motorcycle and trailer plates may be one-half the size of those required for motor vehicles.

On license plates issued to a manufacturer or dealer, there shall be displayed, in addition to the registration number, the letters DLR.

On license plates issued for use on motor vehicles which are exempt pursuant to subdivision (6) of section 60-3002, there shall be embossed, in addition to the registration number, the word exempt which shall appear at the bottom of the license plates issued after January 1, 1999. The Department of Motor Vehicles may provide distinctive plates for the exempt vehicles.

On commercial trucks and truck-tractors with a gross weight of five tons or over and on farm trucks with a gross weight of over sixteen tons there shall be displayed, in addition to the registration number, the weight that such vehicle is licensed for, using a sticker or tab on the registration plates of such trucks in letters and figures of such size and design as shall be determined and furnished by the department.

When two registration plates are issued, one shall be prominently displayed at all times on the front and one on the rear of the registered vehicle. When only one plate is issued for dealers, motorcycles, semitrailers, trailers, cabin trailers, and buses, it shall be prominently displayed on the rear of the registered vehicle. When only one plate is issued for motor vehicles registered pursuant to section ~~60-305.09~~ 8 of this act and truck-tractors, it shall be prominently displayed on the front of the apportioned vehicle.

Any violation of this section shall be subject to a penalty or penalties as provided in section 60-348.

Sec. 29. Section 60-318, Reissue Revised Statutes of Nebraska, is amended to read:

60-318. All fees for the registration of vehicles, unless otherwise expressly provided, shall be paid to the county treasurer or designated county official as provided in section 60-302 of the county in which the vehicle has situs as defined in section 60-3001. If registered pursuant to section ~~60-305.09~~ 8 of this act, all fees shall be paid to the Department of Motor Vehicles.

Sec. 30. Section 60-331, Reissue Revised Statutes of Nebraska, is amended to read:

60-331. The registration fee on commercial trucks, except those trucks registered under section ~~60-305.09~~ 8 of this act, shall be based upon the gross vehicle weight, not to exceed the maximum authorized by section 60-6,294. Gross vehicle weight ~~shall mean~~ means the sum of the empty weights of a truck or truck-tractor and the empty weights of any trailer, semitrailer, or combination thereof with which it is to be operated in combination at any one time, plus the weight of the maximum load to be carried thereon at any one time. The registration fee on commercial truck-tractors shall be based on the gross vehicle weight on such truck-tractors plus the gross vehicle weight of any semitrailer, trailer, or combination thereof connected therewith, except that for the purpose of determining the registration fee, the gross weight of a truck or truck-tractor towing or hauling a disabled or wrecked motor vehicle properly registered for use on the highways shall be only the gross weight of the towing truck or truck-tractor fully equipped and not including the weight of the motor vehicle being towed or hauled.

The registration fee on such commercial trucks and truck-tractors shall be at the following rates: For a gross weight of three tons or less, eighteen dollars; for a gross weight exceeding three tons and not exceeding four tons, twenty-five dollars; for a gross weight exceeding four tons and not exceeding five tons, thirty-five dollars; for a gross weight exceeding five tons and not exceeding six tons, sixty dollars; for a gross weight exceeding six tons but not exceeding seven tons, eighty-five dollars; for a gross weight in excess of seven tons, the fee shall be that for a truck having a gross weight of seven tons and, in addition thereto, twenty-five dollars for each ton of gross weight over seven tons, except that:

(1) For fractional tons in excess of the twenty percent or the

tolerance of one thousand pounds, as provided in section 60-6,300, the fee shall be computed on the basis of the next higher bracket;

(2) The fees provided by this section shall be reduced ten percent for vehicles used exclusively for the transportation of livestock, poultry, unprocessed milk, grain, sugar beets, potatoes, and hay; and

(3) Fees for trucks with a gross weight in excess of thirty-six tons shall be increased by twenty percent for all such trucks operated on any road or highway not a part of the National System of Interstate and Defense Highways.

Such fee may be paid one-half at the time of registration and one-half on the first day of the seventh month of the registration period when the license fee exceeds two hundred ten dollars. When the second half is paid, the county treasurer or designated county official as provided in section 60-302 shall furnish a certificate and plates furnished by the Department of Motor Vehicles which shall be displayed on such truck or truck-tractor in the manner provided by law. In addition to the registration fee, the department shall collect a sufficient fee to cover the cost of issuing the certificate and plates.

If such second half is not paid within thirty days following the first day of the seventh month, the registration of such truck or truck-tractor shall be canceled and the registration certificate and number plates shall be returned to the county treasurer or designated county official. Any person who fails to return such registration certificate and number plate when required to do so shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished as provided in section 60-331.02.

Sec. 31. Section 60-344, Reissue Revised Statutes of Nebraska, is amended to read:

60-344. Any person applying for or taking out motor vehicle, trailer, semitrailer, or cabin trailer registration in any county or location other than that specified in section ~~60-305.09~~ or 60-3001 or section 8 of this act shall be deemed guilty of a Class IV misdemeanor.

Sec. 32. Section 60-348, Reissue Revised Statutes of Nebraska, is amended to read:

60-348. Any person, firm, association, partnership, limited liability company, or corporation which violates any provision of sections 60-301 to 60-347 and the International Registration Plan Act for which a penalty is not otherwise provided shall be guilty of a Class III misdemeanor.

Sec. 33. Section 60-6,298, Revised Statutes Supplement, 2002, is amended to read:

60-6,298. (1) (a) The Department of Roads or the Nebraska State Patrol, with respect to highways under its jurisdiction including the National System of Interstate and Defense Highways, and local authorities, with respect to highways under their jurisdiction, may in their discretion upon application and good cause being shown therefor issue a special, continuing, or continuous permit in writing authorizing the applicant or his or her designee:

(i) To operate or move a vehicle, a combination of vehicles, or objects of a size or weight of vehicle or load exceeding the maximum specified by law when such permit is necessary:

(A) To further the national defense or the general welfare;

(B) To permit movement of cost-saving equipment to be used in highway or other public construction or in agricultural land treatment; or

(C) Because of an emergency, an unusual circumstance, or a very special situation;

(ii) To operate vehicles, for a distance up to one hundred twenty miles, loaded up to fifteen percent greater than the maximum weight specified by law, up to ten percent greater than the maximum length specified by law, except that for a truck-tractor semitrailer trailer combination utilized to transport sugar beets which may be up to twenty-five percent greater than the maximum length specified by law, or both, when carrying grain or other seasonally harvested products from the field where such grain or products are harvested to storage, market, or stockpile in the field or from stockpile to market or factory when failure to move such grain or products in abundant quantities would cause an economic loss to the person or persons whose grain or products are being transported or when failure to move such grain or products in as large quantities as possible would not be in the best interests of the national defense or general welfare. The distance limitation may be waived for vehicles when carrying dry beans from the field where harvested to storage or market when dry beans are not normally stored, purchased, or used within the permittee's local area and must be transported more than one hundred twenty miles to an available marketing or storage destination. No permit shall authorize a weight greater than twenty thousand pounds on any single axle;

(iii) To transport an implement of husbandry which does not exceed twelve and one-half feet in width during daylight hours, except that the permit shall not allow transport on holidays; or

(iv) To operate one or more recreational vehicles, as defined in section 71-4603, exceeding the maximum width specified by law if movement of the recreational vehicles is prior to retail sale and the recreational vehicles comply with subdivision (2)(k) of section 60-6,288. A copy of the permit shall be carried with the recreational vehicle or vehicles.

(b) No permit shall be issued under subdivision (a)(i) of this subsection for a vehicle carrying a load unless such vehicle is loaded with an object which exceeds the size or weight limitations, which cannot be dismantled or reduced in size or weight without great difficulty, and which of necessity must be moved over the highways to reach its intended destination. No permit shall be required for the temporary movement on highways other than dustless-surfaced state highways and for necessary access to points on such highways during daylight hours of cost-saving equipment to be used in highway or other public construction or in agricultural land treatment when such temporary movement is necessary and for a reasonable distance.

(2) The application for any such permit shall specifically describe the vehicle, the load to be operated or moved, whenever possible the particular highways for which permit to operate is requested, and whether such permit is requested for a single trip or for continuous or continuing operation.

(3) The department or local authority is authorized to issue or withhold such permit at its discretion or, if such permit is issued, to limit the number of days during which the permit is valid, to limit the number of trips, to establish seasonal or other time limitations within which the vehicles described may be operated on the highways indicated, or to issue a continuous or continuing permit for use on all highways, including the National System of Interstate and Defense Highways. The permits are subject to reasonable conditions as to periodic renewal of such permit and as to operation or movement of such vehicles. The department or local authority may otherwise limit or prescribe conditions of operation of such vehicle or vehicles, when necessary to assure against undue damage to the road foundations, surfaces, or structures or undue danger to the public safety. The department or local authority may require such undertaking or other security as may be deemed necessary to compensate for any injury to any roadway or road structure.

(4) Every such permit shall be carried in the vehicle to which it refers and shall be open to inspection by any peace officer, carrier enforcement officer, or authorized agent of any authority granting such permit. Each such permit shall state the maximum weight permissible on a single axle or combination of axles and the total gross weight allowed. No person shall violate any of the terms or conditions of such special permit. In case of any violation, the permit shall be deemed automatically revoked and the penalty of the original limitations shall be applied unless:

(a) The violation consists solely of exceeding the size or weight specified by the permit, in which case only the penalty of the original size or weight limitation exceeded shall be applied; or

(b) The total gross load is within the maximum authorized by the permit, no axle is more than ten percent in excess of the maximum load for such axle or group of axles authorized by the permit, and such load can be shifted to meet the weight limitations of wheel and axle loads authorized by such permit. Such shift may be made without penalty if it is made at the state or commercial scale designated in the permit. The vehicle may travel from its point of origin to such designated scale without penalty, and a scale ticket from such scale, showing the vehicle to be properly loaded and within the gross and axle weights authorized by the permit, shall be reasonable evidence of compliance with the terms of the permit.

(5) The department or local authority issuing a permit as provided in this section may adopt and promulgate rules and regulations with respect to the issuance of permits provided for in this section.

(6) The department shall make available applications for permits authorized pursuant to subdivisions (1)(a)(ii) and (1)(a)(iii) of this section in the office of each county treasurer. The department may make available applications for all other permits authorized by this section to the office of the county treasurer and may make available applications for all permits authorized by this section to any other location chosen by the department.

(7) The department or local authority issuing a permit may require a permit fee of not to exceed twenty-five dollars, except that:

(a) The fee for a continuous or continuing permit may not exceed twenty-five dollars for a ninety-day period, fifty dollars for a

one-hundred-eighty-day period, or one hundred dollars for a one-year period; and

(b) The fee for permits issued pursuant to subdivision (1)(a)(ii) of this section shall be twenty-five dollars for a thirty-day permit and fifty dollars for a sixty-day permit. Permits issued pursuant to such subdivision shall be valid for thirty days or sixty days and shall be renewable for a total number of days not to exceed one hundred and twenty days per year.

A vehicle or combination of vehicles for which an application for a permit is requested pursuant to this section shall be registered under section ~~60-305.09~~ ~~or~~ 60-331 or section 8 of this act for the maximum gross vehicle weight that is permitted pursuant to section 60-6,294 before a permit shall be issued.

Sec. 34. Section 60-1401.02, Revised Statutes Supplement, 2002, is amended to read:

60-1401.02. For purposes of sections 60-1401.01 to 60-1440 and 60-2601 to 60-2607, unless the context otherwise requires:

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

(2) Association means any two or more persons acting with a common purpose, regardless of the relative degrees of involvement, and includes, but is not limited to, the following persons so acting:

(a) A person and one or more of his or her family members. For purposes of this subdivision, family member means an individual related to the person by blood, marriage, adoption, or legal guardianship as the person's spouse, child, parent, brother, sister, grandchild, grandparent, ward, or legal guardian or any individual so related to the person's spouse; and

(b) Two or more persons living in the same dwelling unit, whether or not related to each other;

(3) Motor vehicle dealer means any person, other than a bona fide consumer, actively and regularly engaged in the act of selling, leasing for a period of thirty or more days, or exchanging new or used motor vehicles, trailers, and manufactured homes who buys, sells, exchanges, causes the sale of, or offers or attempts to sell new or used motor vehicles. Such person is a motor vehicle dealer and subject to sections 60-1401.01 to 60-1440. Motor vehicle dealer does not include a lessor who was not involved in or associated with the selection, location, acquisition, or supply of a motor vehicle which is the subject of a lease agreement;

(4) Trailer dealer means any person, other than a bona fide consumer, actively and regularly engaged in the business of selling or exchanging new or used trailers and manufactured homes;

(5) Wrecker or salvage dealer means any person who acquires one or more motor vehicles or trailers for the purpose of dismantling them for the purpose of reselling the parts or reselling the vehicles as scrap;

(6) Motor vehicle means any vehicle for which evidence of title is required as a condition precedent to registration under the laws of this state but does not include trailers;

(7) Used motor vehicle means every motor vehicle which has been sold, bargained, exchanged, or given away or for which title has been transferred from the person who first acquired it from the manufacturer, importer, dealer, or agent of the manufacturer or importer. A new motor vehicle is not considered a used motor vehicle until it has been placed in use by a bona fide consumer, notwithstanding the number of transfers of the motor vehicle;

(8) New motor vehicle means all motor vehicles which are not included within the definition of a used motor vehicle in this section;

(9) Trailer means trailers and semitrailers as defined in section 60-301 which are required to be licensed as commercial trailers, other vehicles without motive power constructed so as to permit their being used as conveyances upon the public streets and highways and so constructed as not to be attached to real estate and to permit the vehicle to be used for human habitation by one or more persons, and camping trailers, slide-in campers, fold-down campers, and fold-down tent trailers. Machinery and equipment to which wheels are attached and designed for being drawn by a motor vehicle are excluded from the provisions of sections 60-1401.01 to 60-1440;

(10) Motorcycle dealer means any person, other than a bona fide consumer, actively and regularly engaged in the business of selling or exchanging new or used motorcycles;

(11) Motorcycle means every motor vehicle, except a tractor, having a seat or saddle for use of the rider and designed to travel on not more than three wheels in contact with the ground and for which evidence of title is required as a condition precedent to registration under the laws of this state;

(12) Auction means a sale of motor vehicles and trailers of types required to be registered in this state, except such vehicles as are eligible for registration pursuant to section ~~60-305.09~~ 8 of this act, sold or offered for sale at which the price offered is increased by the prospective buyers who bid against one another, the highest bidder becoming the purchaser. The holding of a farm auction or an occasional motor vehicle or trailer auction of not more than two auctions in a calendar year does not constitute an auction subject to sections 60-1401.01 to 60-1440;

(13) Auction dealer means any person engaged in the business of conducting an auction for the sale of motor vehicles and trailers;

(14) Supplemental motor vehicle, trailer, motorcycle, or motor vehicle auction dealer means any person holding either a motor vehicle, trailer, motorcycle, or motor vehicle auction dealer's license engaging in the business authorized by such license at a place of business that is more than three hundred feet from any part of the place of business designated in the dealer's original license but which is located within the city or county described in such original license;

(15) Motor vehicle, motorcycle, or trailer salesperson means any person who, for a salary, commission, or compensation of any kind, is employed directly by only one specified licensed Nebraska motor vehicle dealer, motorcycle dealer, or trailer dealer, except when the salesperson is working for two or more dealerships with common ownership, to sell, purchase, or exchange or to negotiate for the sale, purchase, or exchange of motor vehicles, motorcycles, or trailers. A person owning any part of more than one dealership may be a salesperson for each of such dealerships. For purposes of this section, common ownership means that there is at least an eighty percent interest in each dealership by one or more persons having ownership in such dealership;

(16) Manufacturer means any person, resident or nonresident of this state, who is engaged in the business of distributing, manufacturing, or assembling new motor vehicles, trailers, or motorcycles and also has the same meaning as the term franchisor as used in sections 60-1401.01 to 60-1440;

(17) Factory representative means a representative employed by a person who manufactures or assembles motor vehicles, motorcycles, or trailers, or by a factory branch, for the purpose of promoting the sale of its motor vehicles, motorcycles, or trailers to, or for supervising or contacting, its dealers or prospective dealers in this state;

(18) Distributor means a person, resident or nonresident of this state, who in whole or in part sells or distributes new motor vehicles, trailers, or motorcycles to dealers or who maintains distributors or representatives who sell or distribute motor vehicles, trailers, or motorcycles to dealers and also has the same meaning as the term franchisor as used in sections 60-1401.01 to 60-1440;

(19) Finance company means any person engaged in the business of financing sales of motor vehicles, motorcycles, or trailers, or purchasing or acquiring promissory notes, secured instruments, or other documents by which the motor vehicles, motorcycles, or trailers are pledged as security for payment of obligations arising from such sales and who may find it necessary to engage in the activity of repossession and the sale of the motor vehicles, motorcycles, or trailers so pledged;

(20) Franchise means a contract between two or more persons when all of the following conditions are included:

(a) A commercial relationship of definite duration or continuing indefinite duration is involved;

(b) The franchisee is granted the right to offer and sell motor vehicles manufactured or distributed by the franchisor;

(c) The franchisee, as an independent business, constitutes a component of the franchisor's distribution system;

(d) The operation of the franchisee's business is substantially associated with the franchisor's trademark, service mark, trade name, advertising, or other commercial symbol designating the franchisor; and

(e) The operation of the franchisee's business is substantially reliant on the franchisor for the continued supply of motor vehicles, parts, and accessories;

(21) Franchisee means a new motor vehicle dealer who receives motor vehicles from the franchisor under a franchise and who offers and sells such motor vehicles to the general public;

(22) Franchisor means a person who manufactures or distributes motor vehicles and who may enter into a franchise;

(23) Community means a franchisee's area of responsibility as stipulated in the franchise;

(24) Line-make means the motor vehicles that are offered for sale,

lease, or distribution under a common name, trademark, service mark, or brand name of the franchisor or manufacturer of the motor vehicle;

(25) Consumer care means the performance, for the public, of necessary maintenance and repairs to motor vehicles;

(26) Sale, selling, and equivalent expressions mean the attempted act or acts either as principal, agent, or salesperson or in any capacity whatsoever of selling, bartering, exchanging, or otherwise disposing of or negotiating or offering or attempting to negotiate the sale, purchase, or exchange of or interest in any motor vehicle, trailer, or motorcycle, including the leasing of any motor vehicle, trailer, or motorcycle for a period of thirty or more days with a right or option to purchase under the terms of the lease;

(27) Established place of business means a permanent location within this state, easily accessible to the public, owned or leased by the applicant or a licensee for at least the term of the license year, and conforming with applicable zoning laws, at which the licensee conducts the business for which he or she is licensed and may be contacted by the public during posted reasonable business hours which shall be not less than forty hours per week. The established place of business shall have the following facilities: (a) Office space in a building or mobile home, which space shall be clean, dry, safe, and well lighted and in which shall be kept and maintained all books, records, and files necessary for the conduct of the licensed business, which premises, books, records, and files shall be available for inspection during regular business hours by any peace officer or investigator employed or designated by the board. Dealers shall, upon demand of the board's investigator, furnish copies of records so required when conducting any investigation of a complaint; (b) a sound and well-maintained sign which is legible from a public road and displayed with letters not less than eight inches in height and one contiguous area to display ten or more motor vehicles, motorcycles, or trailers in a presentable manner; (c) adequate repair facilities and tools to properly and actually service warranties on motor vehicles, motorcycles, or trailers sold at such place of business and to make other repairs arising out of the conduct of the licensee's business or, in lieu of such repair facilities, the licensee may enter into a contract for the provision of such service and file a copy thereof annually with the board and shall furnish to each buyer a written statement as to where such service will be provided as required by section 60-1417. The service facility shall be located in the same county as the licensee unless the board specifically authorizes the facility to be located elsewhere. Such facility shall maintain regular business hours and shall have suitable repair equipment and facilities to service and inspect the type of vehicles sold by the licensee. Investigators of the board may certify ongoing compliance with the service and inspection facilities or repair facilities; and (d) an operating telephone connected with a public telephone exchange and located on the premises of the established place of business with a telephone number listed by the public telephone exchange and available to the public during the required posted business hours. A mobile truck equipped with repair facilities to properly perform warranty functions and other repairs shall be deemed adequate repair facilities for trailers. The requirements of this subdivision shall apply to the place of business authorized under a supplemental motor vehicle, motorcycle, or trailer dealer's license;

(28) Retail, when used to describe a sale, means a sale to any person other than a licensed dealer of any kind within the definitions of this section;

(29) Factory branch means a branch office maintained in this state by a person who manufactures, assembles, or distributes motor vehicles, motorcycles, or trailers for the sale of such motor vehicles, motorcycles, or trailers to distributors or dealers or for directing or supervising, in whole or in part, its representatives in this state;

(30) Distributor representative means a representative employed by a distributor or distributor branch for the same purpose as set forth in the definition of factory representative in this section;

(31) Board means the Nebraska Motor Vehicle Industry Licensing Board;

(32) Scrap metal processor means any person engaged in the business of buying vehicles, motorcycles, or parts thereof for the purpose of remelting or processing into scrap metal or who otherwise processes ferrous or nonferrous metallic scrap for resale. No scrap metal processor shall sell vehicles or motorcycles without obtaining a wrecker or salvage dealer license;

(33) Designated family member means the spouse, child, grandchild, parent, brother, or sister of the owner of a new motor vehicle dealership who, in the case of the owner's death, is entitled to inherit the ownership

interest in the new motor vehicle dealership under the terms of the owner's will, who has been nominated in any other written instrument, or who, in the case of an incapacitated owner of such dealership, has been appointed by a court as the legal representative of the new motor vehicle dealer's property;

(34) Bona fide consumer means an owner of a motor vehicle, motorcycle, or trailer who has acquired such vehicle for use in business or for pleasure purposes, who has been granted a certificate of title on such motor vehicle, motorcycle, or trailer, and who has registered such motor vehicle, motorcycle, or trailer, all in accordance with the laws of the residence of the owner, except that no owner who sells more than eight registered motor vehicles, motorcycles, or trailers within a twelve-month period shall qualify as a bona fide consumer;

(35) Violator means a person acting without a license or registration as required by sections 60-1401.01 to 60-1440; and

(36) Manufactured home means a structure, transportable in one or more sections, which in the traveling mode is eight body feet or more in width or forty body feet or more in length or when erected on site is three hundred twenty or more square feet and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities and includes the plumbing, heating, air conditioning, and electrical systems contained in the structure, except that manufactured home includes any structure that meets all of the requirements of this subdivision other than the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States Secretary of Housing and Urban Development and complies with the standards established under the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, 42 U.S.C. 5401 et seq. Manufactured home also includes any manufactured home designed and manufactured with more than one separate living unit for the purpose of multifamily living.

Nothing in sections 60-1401.01 to 60-1440 shall apply to the State of Nebraska or any of its agencies or subdivisions. No insurance company, finance company, public utility company, fleet owner, or other person coming into possession of any motor vehicle, motorcycle, or trailer, as an incident to its regular business, who sells or exchanges the motor vehicle, motorcycle, or trailer shall be considered a dealer except persons whose regular business is leasing or renting motor vehicles, motorcycles, or trailers.

Sec. 35. Section 60-3002, Revised Statutes Supplement, 2002, is amended to read:

60-3002. In addition to the registration fees provided by Chapter 60, article 3, and the motor vehicle fee imposed in section 60-3007, a motor vehicle tax is imposed on motor vehicles registered for operation upon the highways of this state except:

(1) Motor vehicles exempt from the registration fee in section 60-335;

(2) One motor vehicle owned and used for his or her personal transportation by a disabled or blind honorably discharged veteran of the United States Armed Forces as defined in section 77-202.23 whose disability or blindness is recognized by the United States Department of Veterans Affairs if an application for the exemption has been approved under subsection (1) of section 60-3006;

(3) Motor vehicles owned by Indians as defined in 25 U.S.C. 479;

(4) Motor vehicles owned by a member of the United States Armed Forces serving in this state in compliance with military or naval orders if such person is a resident of a state other than Nebraska;

(5) Motor vehicles owned by the state and its governmental subdivisions and exempt as provided in subdivision (1)(a) or (b) of section 77-202;

(6) Motor vehicles owned and used exclusively by an organization or society qualified for a tax exemption provided in subdivision (1)(c) or (d) of section 77-202 if an application for the exemption provided in this subdivision has been approved under subsection (2) of section 60-3006; and

(7) Trucks, truck-trailers, trailers, semitrailers, or combinations thereof registered under section ~~60-305.09~~ 8 of this act.

Sec. 36. Section 60-3004, Revised Statutes Supplement, 2002, is amended to read:

60-3004. (1) The motor vehicle tax schedules are set out in this section.

(2) The motor vehicle tax shall be calculated by multiplying the base tax times the fraction which corresponds to the age category of the vehicle as shown in the following table:

YEAR	FRACTION
First	1.00

Second	0.90
Third	0.80
Fourth	0.70
Fifth	0.60
Sixth	0.51
Seventh	0.42
Eighth	0.33
Ninth	0.24
Tenth and Eleventh	0.15
Twelfth and Thirteenth	0.07
Fourteenth and older	0.00

(3) The base tax shall be:

(a) Passenger cars, trucks, utility vehicles, and vans, up to and including seven tons -- An amount determined using the following table:

Value when new	Base tax
Up to \$9,999	\$ 60
\$10,000 to \$11,999	100
\$12,000 to \$13,999	140
\$14,000 to \$15,999	180
\$16,000 to \$17,999	220
\$18,000 to \$19,999	260
\$20,000 to \$21,999	300
\$22,000 to \$23,999	340
\$24,000 to \$25,999	380
\$26,000 to \$27,999	420
\$28,000 to \$29,999	460
\$30,000 to \$31,999	500
\$32,000 to \$33,999	540
\$34,000 to \$35,999	580
\$36,000 to \$37,999	620
\$38,000 to \$39,999	660
\$40,000 to \$41,999	700
\$42,000 to \$43,999	740
\$44,000 to \$45,999	780
\$46,000 to \$47,999	820
\$48,000 to \$49,999	860
\$50,000 to \$51,999	900
\$52,000 to \$53,999	940
\$54,000 to \$55,999	980
\$56,000 to \$57,999	1,020
\$58,000 to \$59,999	1,060
\$60,000 to \$61,999	1,100
\$62,000 to \$63,999	1,140
\$64,000 to \$65,999	1,180
\$66,000 to \$67,999	1,220
\$68,000 to \$69,999	1,260
\$70,000 to \$71,999	1,300
\$72,000 to \$73,999	1,340
\$74,000 to \$75,999	1,380
\$76,000 to \$77,999	1,420
\$78,000 and over	1,460

(b) Assembled passenger cars, trucks, utility vehicles, and vans --

\$60

(c) Motorcycles -- An amount determined using the following table:

Value when new	Base tax
Up to \$3,999	\$ 25
\$ 4,000 to \$ 5,999	50
\$ 6,000 to \$ 7,999	75
\$ 8,000 to \$ 9,999	100
\$10,000 to \$11,999	125
\$12,000 to \$13,999	150
\$14,000 to \$15,999	175
\$16,000 to \$17,999	200
\$18,000 to \$19,999	225
\$20,000 and over	250

(d) Assembled motorcycles -- \$25

(e) Recreational vehicles -- Cabin trailers, up to one thousand pounds -- \$10

(f) Recreational vehicles -- Cabin trailers, one thousand pounds and over and less than two thousand pounds -- \$25

(g) Recreational vehicles -- Cabin trailers, two thousand pounds and over -- \$40

(h) Recreational vehicles -- Self-propelled mobile homes, less than eight thousand pounds -- \$160

(i) Recreational vehicles -- Self-propelled mobile homes, eight thousand pounds and over and less than twelve thousand pounds -- \$410

(j) Recreational vehicles -- Self-propelled mobile homes, twelve thousand pounds and over -- \$860

(k) Assembled recreational vehicles and buses shall follow the schedules for body type and registered weight

(l) Trucks -- Over seven tons and less than ten tons -- \$360

(m) Trucks -- Ten tons and over and less than thirteen tons -- \$560

(n) Trucks -- Thirteen tons and over and less than sixteen tons -- \$760

(o) Trucks -- Sixteen tons and over and less than twenty-five tons -- \$960

(p) Trucks -- Twenty-five tons and over -- \$1,160

(q) Buses -- \$360

(r) Trailers other than semitrailers -- \$10

(s) Semitrailers -- \$110

(t) All other motor vehicles not listed in subdivisions (3)(a) through (s) of this section -- \$310

(4) For purposes of subsection (3) of this section, truck means all trucks and combinations of trucks or truck-tractors, except those trucks, truck-trailers, trailers, semitrailers, or combinations thereof registered under section ~~60-305.09~~ 8 of this act, and the tax is based on the gross vehicle weight rating as reported by the manufacturer.

(5) For purposes of subsection (3) of this section, trailer and semitrailer have the same meanings as in section 60-301.

(6) Current model year vehicles are designated as first-year vehicles for purposes of the schedules.

(7) When a motor vehicle is registered which is newer than the current model year by the manufacturer's designation, the motor vehicle is subject to the initial motor vehicle tax in the first registration period and ninety-five percent of the initial motor vehicle tax in the second registration period.

(8) Assembled recreational vehicles and buses shall be designated as sixth-year vehicles in their first year of registration for purposes of the schedules.

(9) When a motor vehicle is registered which is required to have a title branded as previous salvage pursuant to section 60-130, the motor vehicle tax shall be reduced by twenty-five percent.

Sec. 37. Section 60-3007, Reissue Revised Statutes of Nebraska, is amended to read:

60-3007. (1) In addition to the registration fees provided by Chapter 60, article 3, and the motor vehicle tax imposed in section 60-3002, a motor vehicle fee is imposed on all motor vehicles registered for operation in this state.

(2) The county treasurer or designated county official pursuant to section 23-186 shall annually determine the motor vehicle fee on each motor vehicle registered in the county based on the age of the motor vehicle pursuant to this section and cause a notice of the amount of the fee to be mailed to the registrant at the address shown upon his or her registration certificate. The notice shall be printed on a prenumbered statement form prescribed by the Department of Motor Vehicles, shall be combined with the notice of the motor vehicle tax, and shall be mailed on or before the first day of the last month of the registration period.

(3) The motor vehicle tax, motor vehicle fee, and registration fee shall be paid to the county treasurer or designated official prior to the registration of the motor vehicle for the following registration period. After retaining one percent of the motor vehicle fee collected for costs, the remaining proceeds shall be remitted to the State Treasurer for credit to the Motor Vehicle Fee Fund. The State Treasurer shall return funds from the Motor Vehicle Fee Fund remitted by a county treasurer or designated county official which are needed for refunds or credits authorized by law.

(4) The Motor Vehicle Fee Fund is created. On or before the last day of each calendar quarter, the State Treasurer shall distribute all funds in the Motor Vehicle Fee Fund as follows: (a) Fifty percent to the county treasurer of each county, amounts in the same proportion as the most recent allocation received by each county from the Highway Allocation Fund; and (b) fifty percent to the treasurer of each municipality, amounts in the same proportion as the most recent allocation received by each municipality from the Highway Allocation Fund. Funds from the Motor Vehicle Fee Fund shall be considered local revenue available for matching state sources. All receipts

by counties and municipalities from the Motor Vehicle Fee Fund shall be used for road, bridge, and street purposes. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(5) The motor vehicle fee schedules are set out in this section. Except for passenger cars, trucks, utility vehicles, and vans, up to and including seven tons, with a value when new of less than \$20,000, and for assembled passenger cars, trucks, utility vehicles, and vans up to and including seven tons, the fee shall be calculated by multiplying the base fee times the fraction which corresponds to the age category of the vehicle as shown in the following table:

YEAR	FRACTION
First through fifth	1.00
Sixth through tenth	.70
Eleventh and over	.35

(6) The base fee shall be:

(a) Passenger cars, trucks, utility vehicles, and vans -- Up to and including seven tons, with a value when new of \$20,000 through \$39,999 -- \$20

(b) Passenger cars, trucks, utility vehicles, and vans -- Up to and including seven tons, with a value when new of \$40,000 or more -- \$30

(c) Motorcycles -- \$10

(d) Recreational vehicles -- Cabin trailers and self-propelled mobile homes -- \$10

(e) Trucks over seven tons and buses -- \$30

(f) Trailers other than semitrailers -- \$10

(g) Semitrailers -- \$30

The fee for passenger cars, trucks, utility vehicles, and vans, up to and including seven tons, with a value when new of less than \$20,000, and for assembled passenger cars, trucks, utility vehicles, and vans up to and including seven tons shall be five dollars.

(7) For purposes of subsection (6) of this section, truck means all trucks and combinations of trucks or truck-tractors, except those trucks, truck-trailers, trailers, or semitrailers registered under section ~~60-305.09~~ 8 of this act, and the fee is based on the gross vehicle weight rating as reported by the manufacturer.

(8) For purposes of subsection (6) of this section, trailer and semitrailer have the same meanings as in section 60-301.

(9) Current model year vehicles are designated as first-year vehicles for purposes of the schedules.

(10) When a motor vehicle is registered which is newer than the current model year by the manufacturer's designation, the motor vehicle is subject to the initial motor vehicle fee for six registration periods.

(11) An owner of a motor vehicle which is exempt from the imposition of a motor vehicle tax pursuant to section 60-3002 shall also be exempt from the imposition of the motor vehicle fee imposed pursuant to this section.

(12) Assembled motor vehicles other than passenger cars, trucks, utility vehicles, and vans up to and including seven tons shall follow the schedules for the motor vehicle body type.

Sec. 38. Section 66-1406.02, Revised Statutes Supplement, 2002, is amended to read:

66-1406.02. (1) The director may suspend, revoke, cancel, or refuse to issue or renew a license under the International Fuel Tax Agreement Act:

(a) If the applicant's or licensee's registration certificate issued pursuant to ~~sections 60-305.09 to 60-305.16~~ the International Registration Plan Act has been suspended, revoked, or canceled or the director refused to issue or renew such certificate;

(b) If the applicant or licensee is in violation of sections 75-348 to 75-358;

(c) If the applicant's or licensee's security has been canceled;

(d) If the applicant or licensee failed to provide additional security as required;

(e) If the applicant or licensee failed to file any report or return required by the motor fuel laws, filed an incomplete report or return required by the motor fuel laws, did not file any report or return required by the motor fuel laws electronically, or did not file a report or return required by the motor fuel laws on time;

(f) If the applicant or licensee failed to pay taxes required by the motor fuel laws due within the time provided;

(g) If the applicant or licensee filed any false report, return, statement, or affidavit, required by the motor fuel laws, knowing it to be false;

(h) If the applicant or licensee would no longer be eligible to

obtain a license; or

(i) If the applicant or licensee committed any other violation of the International Fuel Tax Agreement Act or the rules and regulations adopted and promulgated under the act.

(2) Prior to taking any action pursuant to this section, the director shall notify and advise the applicant or licensee of the proposed action and the reasons for such action in writing, by registered or certified mail, to his or her last-known business address as shown on the application or license. The notice shall also include an advisement of the procedures in subsection (3) of this section.

(3) The applicant or licensee may, within thirty days after the mailing of the notice, petition the director in writing for a hearing to contest the proposed action. The hearing shall be commenced in accordance with the rules and regulations adopted and promulgated by the Department of Motor Vehicles. If a petition is filed, the director shall, within twenty days after receipt of the petition, set a hearing date at which the applicant or licensee may show cause why the proposed action should not be taken. The director shall give the applicant or licensee reasonable notice of the time and place of the hearing. If the director's decision is adverse to the applicant or licensee, the applicant or licensee may appeal the decision in accordance with the Administrative Procedure Act.

(4) The filing of the petition shall stay any action by the director until a hearing is held and a final decision and order is issued.

(5) If no petition is filed at the expiration of thirty days after the date on which the notification was mailed, the director may take the proposed action described in the notice.

(6) If, in the judgment of the director, the applicant or licensee has complied with or is no longer in violation of the provisions for which the director took action under this section, the director may reinstate the license without delay. An applicant for reinstatement, issuance, or renewal of a license within three years after the date of suspension, revocation, cancellation, or refusal to issue or renew shall submit a fee of one hundred dollars to the director. The director shall remit the fee to the State Treasurer for credit to the Highway Cash Fund.

(7) Suspension of, revocation of, cancellation of, or refusal to issue or renew a license by the director shall not relieve any person from making or filing the reports or returns required by the motor fuel laws in the manner or within the time required.

Sec. 39. Section 66-1414, Revised Statutes Supplement, 2002, is amended to read:

66-1414. (1) Any fuel tax collected pursuant to the agreement shall be remitted to the State Treasurer for credit to the Motor Carrier Services Division Distributive Fund to carry out the International Fuel Tax Agreement Act.

(2) The Motor Carrier Services Division Distributive Fund is created. The fund shall be set apart and maintained by the State Treasurer to carry out the ~~International Registration Plan and the~~ International Fuel Tax Agreement Act and the International Registration Plan Act. Any money in the Motor Carrier Services Division Distributive Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act. Any interest received on money in the Motor Carrier Services Division Distributive Fund shall be credited to the Highway Trust Fund.

Sec. 40. Section 75-305, Reissue Revised Statutes of Nebraska, is amended to read:

75-305. For purposes of sustaining the administration and enforcement of sections 75-301 to 75-322 as such sections pertain to regulated motor carriers, there is hereby fixed an application fee of seventy-five dollars payable by the applicant at the time of filing the application, except that such fee shall not apply to applications under sections 75-303.01 and 75-303.02. In addition thereto, every regulated motor carrier subject to sections 75-301 to 75-322 shall pay an annual fee not exceeding the sum of twenty-five dollars for each motor vehicle operated, which fee shall be fixed by the commission and shall not exceed the amount actually necessary to sustain the administration and enforcement of such sections. When the applicant has registered his or her motor vehicles under section ~~60-305.09~~ 8 of this act, such fee of twenty-five dollars shall be payable on whichever shall be the lesser of (1) the proportion of his or her fleet so registered or (2) the number of motor vehicles owned by him or her and actually used in ~~intrastate~~ intra-jurisdiction business within this state, except that such annual fee for any truck-trailer or tractor-trailer combination shall be forty dollars. In the case of a truck-trailer or tractor-trailer combination, only

one license plate shall be required for such combination. Such annual fees shall be due and payable on or before January 1 and shall be delinquent on March 1 of each year after such permit or certificate has been issued. If the initial certificate or permit is issued to a motor carrier on or after July 1, the fee shall be fifty percent of the annual fee. Such fees shall be paid to and collected by the commission and remitted to the State Treasurer within thirty days of receipt for credit to the General Fund.

Sec. 41. Section 75-386, Reissue Revised Statutes of Nebraska, is amended to read:

75-386. The Division of Motor Carrier Services shall:

(1) Foster, promote, and preserve the motor carrier industry of the State of Nebraska;

(2) Protect and promote the public health and welfare of the citizens of the state by ensuring that the motor carrier industry is operated in an efficient and safe manner;

(3) Promote and provide for efficient and uniform governmental oversight of the motor carrier industry;

(4) Promote financial responsibility on the part of motor carriers operating in and through the State of Nebraska;

(5) Administer all provisions of ~~the International Registration Plan pursuant to sections 60-305.09 to 60-305.16,~~ the International Fuel Tax Agreement Act and the International Registration Plan Act, and the single state insurance registration system pursuant to sections 75-348 to 75-358;

(6) Provide for the issuance of certificates of title to apportioned registered motor vehicles as provided for by subdivision (3)(c) of section 60-106;

(7) Serve as the agent of the Public Service Commission in the filing of proof of insurance by intrastate common, contract, and private motor carriers as prescribed by sections 75-307 to 75-307.03;

(8) Serve as an agent for the Department of Roads in the issuance of routine permits administered by the Department of Roads. For purposes of this subdivision, routine permit means a permit designated as a routine permit by the Department of Roads pursuant to subsection (5) of section 60-6,298; and

(9) Carry out such other duties and responsibilities as directed by the Legislature.

Sec. 42. Section 77-1342, Revised Statutes Supplement, 2002, is amended to read:

77-1342. There is hereby created a fund to be known as the Department of Property Assessment and Taxation Cash Fund to which shall be credited all money received by the Department of Property Assessment and Taxation for services performed for county and multicounty assessment districts, for charges for publications, manuals, and lists, as an assessor's examination fee authorized by section 77-421, and under the provisions of sections ~~60-305.15,~~ 77-684, and 77-1250 and section 12 of this act. The fund shall be used to carry out any duties and responsibilities of the department. The county or multicounty assessment district shall be billed by the department for services rendered. Reimbursements to the department shall be credited to the fund, and expenditures therefrom shall be made only when such funds are available. The department shall only bill for the actual amount expended in performing the service.

The fund shall not, at the close of each year, be lapsed to the General Fund. Any money in the Department of Property Assessment and Taxation Cash Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 43. Section 77-2703, Revised Statutes Supplement, 2002, is amended to read:

77-2703. (1) There is hereby imposed a tax at the rate provided in section 77-2701.02 upon the gross receipts from all sales of tangible personal property sold at retail in this state, the gross receipts of every person engaged as a public utility, as a community antenna television service operator or any person involved in the connecting and installing of the services defined in subdivision (2)(a), (b), or (d) of section 77-2702.07, or as a retailer of intellectual or entertainment properties referred to in subsection (3) of section 77-2702.07, the gross receipts from the sale of admissions in this state, the gross receipts from the sale of warranties, guarantees, service agreements, or maintenance agreements when the items covered are subject to tax under this section, and the gross receipts from the provision of services defined in subsection (4) of section 77-2702.07. For purposes of this subsection, the provision of services shall be deemed to be in this state for services provided to real estate if the real estate is located in this state, for services provided to personal property if the

personal property is located in this state and the service is rendered for use in this state, and for computer software training under subdivision (4)(c) of section 77-2702.07 if the training is performed at a location that is within this state for a customer located within this state. When there is a sale, the tax shall be imposed at the rate in effect at the time the gross receipts are realized under the accounting basis used by the retailer to maintain his or her books and records.

(a) The tax imposed by this section shall be collected by the retailer from the consumer. It shall constitute a part of the purchase price and until collected shall be a debt from the consumer to the retailer and shall be recoverable at law in the same manner as other debts. The tax required to be collected by the retailer from the consumer constitutes a debt owed by the retailer to this state.

(b) It is unlawful for any retailer to advertise, hold out, or state to the public or to any customer, directly or indirectly, that the tax or part thereof will be assumed or absorbed by the retailer, that it will not be added to the selling, renting, or leasing price of the property sold, rented, or leased, or that, if added, it or any part thereof will be refunded. The provisions of this subdivision shall not apply to a public utility.

(c) The tax required to be collected by the retailer from the purchaser, unless otherwise provided by statute or by rule and regulation of the Tax Commissioner, shall be displayed separately from the list price, the price advertised in the premises, the marked price, or other price on the sales check or other proof of sales, rentals, or leases.

(d) For the purpose of more efficiently securing the payment, collection, and accounting for the sales tax and for the convenience of the retailer in collecting the sales tax, it shall be the duty of the Tax Commissioner to adopt and promulgate appropriate rules and regulations prescribing a schedule or schedules of the amounts to be collected from the consumer or user to effectuate the computation and collection of the tax imposed by the Nebraska Revenue Act of 1967. Such schedule or schedules shall provide that the tax shall be collected from the consumer or user uniformly on sales according to brackets based on sales prices of the item or items, except that the Tax Commissioner may authorize computation and collection of the tax uniformly on a straight percentage basis in lieu of brackets in situations involving machine or computer billing.

(e) The use of tokens or stamps for the purpose of collecting or enforcing the collection of the taxes imposed in the Nebraska Revenue Act of 1967 or for any other purpose in connection with such taxes is prohibited.

(f) For the purpose of the proper administration of the provisions of the Nebraska Revenue Act of 1967 and to prevent evasion of the retail sales tax, it shall be presumed that all gross receipts are subject to the tax until the contrary is established. The burden of proving that a sale of property is not a sale at retail is upon the person who makes the sale unless he or she takes, in good faith, from the purchaser (i) a resale certificate to the effect that the property is purchased for the purpose of reselling, leasing, or renting it, (ii) an exemption certificate pursuant to subsection (7) of section 77-2705, or (iii) a direct payment permit pursuant to sections 77-2705.01 to 77-2705.03. Receipt of a resale certificate, exemption certificate, or direct payment permit, taken in good faith, shall be conclusive proof for the seller that the sale was made for resale or was exempt or that the tax will be paid directly to the state.

(g) In the rental or lease of automobiles, trucks, trailers, semitrailers, and truck-tractors as defined in section 60-301, the tax shall be collected by the lessor on the rental or lease price, except as otherwise provided within this section:

(i) From all vehicles registered for operation upon the highways of this state which are rented or leased for periods of one year or more; or

(ii) From all vehicles delivered by the lessor within this state which are rented or leased for periods of less than one year.

(h) In the rental or lease of automobiles, trucks, trailers, semitrailers, and truck-tractors as defined in section 60-301, for periods of one year or more, the lessor may elect not to collect and remit the sales tax on the gross receipts and instead pay a sales tax on the cost of such vehicle. If such election is made, it shall be made pursuant to the following conditions:

(i) Notice of the desire to make such election shall be filed with the Tax Commissioner and shall not become effective until the Tax Commissioner is satisfied that the taxpayer has complied with all conditions of this subsection and all rules and regulations of the Tax Commissioner;

(ii) Such election when made shall continue in force and effect for a period of not less than two years and thereafter until such time as the

lessor elects to terminate the election;

(iii) When such election is made, it shall apply to all vehicles of the lessor rented or leased for periods of one year or more except vehicles to be leased to common or contract carriers who provide to the lessor a valid common or contract carrier exemption certificate. If the lessor rents or leases other vehicles for periods of less than one year, such lessor shall maintain his or her books and records and his or her accounting procedure as the Tax Commissioner prescribes; and

(iv) The Tax Commissioner by rule and regulation shall prescribe the contents and form of the notice of election, a procedure for the determination of the tax base of vehicles which are under an existing lease at the time such election becomes effective, the method and manner for terminating such election, and such other rules and regulations as may be necessary for the proper administration of this subdivision.

(i) The tax imposed by this section on the sales of motor vehicles, trailers, and semitrailers as defined in section 60-301 shall be the liability of the purchaser and, with the exception of motor vehicles, trailers, and semitrailers registered pursuant to section ~~60-305.09~~ 8 of this act, the tax shall be collected by the county treasurer or designated county official as provided in section 60-302 at the time the purchaser makes application for the registration of the motor vehicle, trailer, or semitrailer for operation upon the highways of this state. The tax imposed by this section on motor vehicles, trailers, and semitrailers registered pursuant to section ~~60-305.09~~ 8 of this act shall be collected by the Department of Motor Vehicles at the time the purchaser makes application for the registration of the motor vehicle, trailer, or semitrailer for operation upon the highways of this state. At the time of the sale of any motor vehicle, trailer, or semitrailer, the seller shall (i) state on the sales invoice the dollar amount of the tax imposed under this section and (ii) furnish to the purchaser a certified statement of the transaction, in such form as the Tax Commissioner prescribes, setting forth as a minimum the total sales price, the allowance for any trade-in, and the difference between the two. The sales tax due shall be computed on the difference between the total sales price and the allowance for any trade-in as disclosed by such certified statement. Any seller who willfully understates the amount upon which the sales tax is due shall be subject to a penalty of one thousand dollars. A copy of such certified statement shall also be furnished to the Tax Commissioner. Any seller who fails or refuses to furnish such certified statement shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not less than twenty-five dollars nor more than one hundred dollars. If the seller fails to state on the sales invoice the dollar amount of the tax due, the purchaser shall have the right and authority to rescind any agreement for purchase and to declare the purchase null and void. If the purchaser retains such motor vehicle, trailer, or semitrailer in this state and does not register it for operation on the highways of this state within thirty days of the purchase thereof, the tax imposed by this section shall immediately thereafter be paid by the purchaser to the county treasurer, the designated county official, or the Department of Motor Vehicles. If the tax is not paid on or before the thirtieth day after its purchase, the county treasurer, designated county official, or Department of Motor Vehicles shall also collect from the purchaser interest from the thirtieth day through the date of payment and sales tax penalties as provided in the Nebraska Revenue Act of 1967. The county treasurer, designated county official, or Department of Motor Vehicles shall report and remit the tax so collected to the Tax Commissioner by the fifteenth day of the following month. The county treasurer or designated county official shall deduct and withhold for the use of the county general fund, from all amounts required to be collected under this subsection, the collection fee permitted to be deducted by any retailer collecting the sales tax. The Department of Motor Vehicles shall deduct, withhold, and deposit in the Motor Carrier Division Cash Fund the collection fee permitted to be deducted by any retailer collecting the sales tax. The collection fee shall be forfeited if the county treasurer, designated county official, or Department of Motor Vehicles violates any rule or regulation pertaining to the collection of the use tax.

(j) (i) The tax imposed by this section on the sale of a motorboat as defined in section 37-1204 shall be the liability of the purchaser. The tax shall be collected by the county treasurer or designated county official at the time the purchaser makes application for the registration of the motorboat. At the time of the sale of a motorboat, the seller shall (A) state on the sales invoice the dollar amount of the tax imposed under this section and (B) furnish to the purchaser a certified statement of the transaction, in such form as the Tax Commissioner prescribes, setting forth as a minimum the

total sales price, the allowance for any trade-in, and the difference between the two. The sales tax due shall be computed on the difference between the total sales price and the allowance for any trade-in as disclosed by such certified statement. Any seller who willfully understates the amount upon which the sales tax is due shall be subject to a penalty of one thousand dollars. A copy of such certified statement shall also be furnished to the Tax Commissioner. Any seller who fails or refuses to furnish such certified statement shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by a fine of not less than twenty-five dollars nor more than one hundred dollars. If the seller fails to state on the sales invoice the dollar amount of the tax due, the purchaser shall have the right and authority to rescind any agreement for purchase and to declare the purchase null and void. If the purchaser retains such motorboat in this state and does not register it within thirty days of the purchase thereof, the tax imposed by this section shall immediately thereafter be paid by the purchaser to the county treasurer or designated county official. If the tax is not paid on or before the thirtieth day after its purchase, the county treasurer or designated county official shall also collect from the purchaser interest from the thirtieth day through the date of payment and sales tax penalties as provided in the Nebraska Revenue Act of 1967. The county treasurer or designated county official shall report and remit the tax so collected to the Tax Commissioner by the fifteenth day of the following month. The county treasurer or designated county official shall deduct and withhold for the use of the county general fund, from all amounts required to be collected under this subsection, the collection fee permitted to be deducted by any retailer collecting the sales tax. The collection fee shall be forfeited if the county treasurer or designated county official violates any rule or regulation pertaining to the collection of the use tax.

(ii) In the rental or lease of motorboats, the tax shall be collected by the lessor on the rental or lease price, except as otherwise provided within this section:

(A) From all motorboats registered for operation within this state which are rented or leased for periods of one year or more; or

(B) From all motorboats delivered by the lessor within this state which are rented or leased for periods of less than one year.

~~(iii) Subdivisions (1)(j)(i) and (ii) of this section become operative January 1, 1997.~~

(k) The Tax Commissioner shall adopt and promulgate necessary rules and regulations for determining the amount subject to the taxes imposed by this section so as to insure that the full amount of any applicable tax is paid in cases in which a sale is made of which a part is subject to the taxes imposed by this section and a part of which is not so subject and a separate accounting is not practical or economical.

(2) A use tax is hereby imposed on the storage, use, or other consumption in this state of property purchased, leased, or rented from any retailer and on any transaction the gross receipts of which are subject to tax under subsection (1) of this section on or after June 1, 1967, for storage, use, or other consumption in this state at the rate set as provided in subsection (1) of this section on the sales price of the property or, in the case of leases or rentals, of the lease or rental prices.

(a) Every person storing, using, or otherwise consuming in this state property purchased from a retailer or leased or rented from another person for such purpose shall be liable for the use tax at the rate in effect when his or her liability for the use tax becomes certain under the accounting basis used to maintain his or her books and records. His or her liability shall not be extinguished until the use tax has been paid to this state, except that a receipt from a retailer engaged in business in this state or from a retailer who is authorized by the Tax Commissioner, under such rules and regulations as he or she may prescribe, to collect the sales tax and who is, for the purposes of the Nebraska Revenue Act of 1967 relating to the sales tax, regarded as a retailer engaged in business in this state, which receipt is given to the purchaser pursuant to subdivision (b) of this subsection, shall be sufficient to relieve the purchaser from further liability for the tax to which the receipt refers.

(b) Every retailer engaged in business in this state and selling, leasing, or renting property for storage, use, or other consumption in this state shall, at the time of making any sale, collect any tax which may be due from the purchaser and shall give to the purchaser, upon request, a receipt therefor in the manner and form prescribed by the Tax Commissioner.

(c) The Tax Commissioner, in order to facilitate the proper administration of the use tax, may designate such person or persons as he or she may deem necessary to be use tax collectors and delegate to such persons

such authority as is necessary to collect any use tax which is due and payable to the State of Nebraska. The Tax Commissioner may require of all persons so designated a surety bond in favor of the State of Nebraska to insure against any misappropriation of state funds so collected. The Tax Commissioner may require any tax official, city, county, or state, to collect the use tax on behalf of the state. All persons designated to or required to collect the use tax shall account for such collections in the manner prescribed by the Tax Commissioner. Nothing in this subdivision shall be so construed as to prevent the Tax Commissioner or his or her employees from collecting any use taxes due and payable to the State of Nebraska.

(d) All persons designated to collect the use tax and all persons required to collect the use tax shall forward the total of such collections to the Tax Commissioner at such time and in such manner as the Tax Commissioner may prescribe. For all use taxes collected prior to October 1, 2002, such collectors of the use tax shall deduct and withhold from the amount of taxes collected two and one-half percent of the first three thousand dollars remitted each month and one-half of one percent of all amounts in excess of three thousand dollars remitted each month as reimbursement for the cost of collecting the tax. For use taxes collected on and after October 1, 2002, such collectors of the use tax shall deduct and withhold from the amount of taxes collected two and one-half percent of the first three thousand dollars remitted each month as reimbursement for the cost of collecting the tax. Any such deduction shall be forfeited to the State of Nebraska if such collector violates any rule, regulation, or directive of the Tax Commissioner.

(e) For the purpose of the proper administration of the Nebraska Revenue Act of 1967 and to prevent evasion of the use tax, it shall be presumed that property sold, leased, or rented by any person for delivery in this state is sold, leased, or rented for storage, use, or other consumption in this state until the contrary is established. The burden of proving the contrary is upon the person who purchases, leases, or rents the property.

(f) It shall be further presumed, in the absence of evidence to the contrary, that property shipped or brought to this state by the purchaser after June 1, 1967, was purchased from a retailer on or after that date for storage, use, or other consumption in this state.

(g) (i) Except as provided in subdivisions (g) (ii) through (g) (v) of this subsection, when a person purchases property in another state, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any foreign country with the intent of using such property in such other state, commonwealth, territory, possession, or country and such property is actually used in the other state, commonwealth, territory, possession, or country for its intended purpose, the property shall not be subject to tax in this state.

(ii) Subdivision (g) (i) of this subsection shall only apply to a motor vehicle, trailer, or semitrailer as defined in section 60-301 when it is licensed for operation on the highways of the other state, commonwealth, territory, possession, or country prior to being brought into this state. Licensed for operation on the highways does not include any temporary registration, licensing, or in transit procedure that allows nonresidents to operate the motor vehicle, trailer, or semitrailer on the highways of the other state, commonwealth, territory, possession, or country for a limited time with the intent to remove the motor vehicle from the other state, commonwealth, territory, possession, or country.

(iii) Subdivision (g) (i) of this subsection shall not apply to an aircraft which is brought into this state within one year of purchase and (A) is regularly based within this state or (B) more than one-half of the aircraft's operating hours are within this state.

For purposes of subdivision (g) (iii) of this subsection, operation of the aircraft for the purpose of maintenance, repair, or fabrication with subsequent removal from this state upon completion of such maintenance, repair, or fabrication shall not be considered operating hours.

~~(iv)(A)~~ (iv) Subdivision (g) (i) of this subsection shall only apply to a motorboat as defined in section 37-1204 when it is registered for operation in the other state, commonwealth, territory, possession, or country prior to being brought into this state.

~~(B) Subdivision (g)(iv)(A) of this subsection becomes operative January 1, 1997.~~

(v) Subdivision (g) (i) of this subsection shall not apply to any property that is manufactured, processed, or fabricated in another state and that is not used for its intended purpose in the other state after its manufacture, processing, or fabrication.

Sec. 44. The Revisor of Statutes shall assign sections 1 to 15 of this act to Chapter 60, article 3.

Sec. 45. Original sections 60-104, 60-305.02, 60-305.04, 60-305.10, 60-305.11, 60-305.14, 60-305.17, 60-306, 60-318, 60-331, 60-344, 60-348, 60-3007, 75-305, and 75-386, Reissue Revised Statutes of Nebraska, and sections 13-518, 39-2215, 60-102, 60-106, 60-301, 60-305.03, 60-305.09, 60-305.15, 60-305.16, 60-310, 60-311, 60-311.02, 60-6,298, 60-1401.02, 60-3002, 60-3004, 66-1406.02, 66-1414, 77-1342, and 77-2703, Revised Statutes Supplement, 2002, are repealed.