

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 21

Introduced by Riepe, 12.

Read first time January 05, 2017

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to motor vehicles; to amend section
- 2 60-1439.01, Revised Statutes Cumulative Supplement, 2016; to change
- 3 provisions relating to primary and secondary motor vehicle insurance
- 4 coverage for loaned vehicles; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 60-1439.01, Revised Statutes Cumulative
2 Supplement, 2016, is amended to read:

3 60-1439.01 During the time when an insured person is operating a
4 motor vehicle provided by a motor vehicle dealer, garage, or repair shop
5 for use while the insured person's motor vehicle is being serviced,
6 repaired, or inspected by the motor vehicle dealer, garage, or repair
7 shop, when ~~the both the insured person's and motor vehicle dealer's~~ motor
8 vehicle insurance policies of both the insured person and the motor
9 vehicle dealer, garage, or repair shop have a mutually repugnant clause
10 regarding primary coverage, the insured person's motor vehicle insurance
11 policy shall provide primary coverage for the motor vehicle and the motor
12 vehicle insurance policy of the motor vehicle dealer, garage, or repair
13 shop shall provide secondary coverage until the motor vehicle is returned
14 to the motor vehicle dealer, garage, or repair shop. This section only
15 applies to the loan of a motor vehicle by a motor vehicle dealer, garage,
16 or repair shop which occurs without financial remuneration in the form of
17 a fee or lease charge paid directly by the insured person operating the
18 motor vehicle. Payments made by any third party to a motor vehicle
19 dealer, garage, or repair shop, or similar reimbursements, shall not be
20 considered payments directly from the insured person operating the motor
21 vehicle.

22 Sec. 2. Original section 60-1439.01, Revised Statutes Cumulative
23 Supplement, 2016, is repealed.