

# **One Hundred Fifth Legislature - First Session - 2017**

## **Introducer's Statement of Intent**

### **LB21**

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**Chairperson: Senator Brett Lindstrom**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: January 17, 2017**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 21 amends Neb. Rev. Stat. § 60-1439.01 by including garage and repair shops.

Under current Nebraska statute, when an individual takes his or her motor vehicle to a motor vehicle dealer for the purpose of having the vehicle serviced, repaired or inspected and the individual is loaned a vehicle by the dealership, the insurance policy of the borrowing individual, whose motor vehicle is being serviced, shall provide primary coverage until the loaned vehicle has been returned to the loaning dealership. The insurance policy of the dealership shall provide secondary coverage. This coverage only applies in those instances where the policies of the motor vehicle owner and dealership each have a mutually repugnant clause regarding primary coverage.

LB 21 would provide the same statutory requirements to garage and repair shops that loan vehicles to individuals whose vehicles are being serviced, repaired or inspected.

**Principal Introducer:** \_\_\_\_\_

Senator Merv Riepe