

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 133**

Introduced by Hadley, 37.

Read first time January 11, 2013

Committee:

A BILL

1 FOR AN ACT relating to the Motor Vehicle Industry Regulation Act; to  
2 amend section 60-1401, Revised Statutes Cumulative  
3 Supplement, 2012; to establish priority of motor vehicle  
4 insurance policies for certain loaned motor vehicles; to  
5 harmonize provisions; and to repeal the original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 60-1401, Revised Statutes Cumulative  
2 Supplement, 2012, is amended to read:

3           60-1401 Sections 60-1401 to 60-1440 and section 2 of this  
4 act shall be known and may be cited as the Motor Vehicle Industry  
5 Regulation Act.

6           Any amendments to the act shall apply to franchises  
7 subject to the act which are entered into, amended, altered,  
8 modified, renewed, or extended after the date of the amendments to  
9 the act except as otherwise specifically provided in the act.

10           All amendments to the act shall apply upon the issuance  
11 or renewal of a dealer's or manufacturer's license.

12           Sec. 2. During the time when an insured person is  
13 operating a motor vehicle provided by a motor vehicle dealer for use  
14 while the insured person's motor vehicle is being serviced, repaired,  
15 or inspected by the motor vehicle dealer, when both the insured  
16 person's and motor vehicle dealer's motor vehicle insurance policies  
17 have a mutually repugnant clause regarding primary coverage, the  
18 insured person's motor vehicle insurance policy shall provide primary  
19 coverage for the motor vehicle and the motor vehicle insurance policy  
20 of the motor vehicle dealer shall provide secondary coverage until  
21 the motor vehicle is returned to the motor vehicle dealer. This  
22 section only applies to the loan of a motor vehicle by a motor  
23 vehicle dealer which occurs without financial remuneration in the  
24 form of a fee or lease charge paid directly by the insured person  
25 operating the motor vehicle. Payments made by any third party to a

1 motor vehicle dealer, or similar reimbursements, shall not be  
2 considered payments directly from the insured person operating the  
3 motor vehicle.

4           Sec. 3. Original section 60-1401, Revised Statutes  
5 Cumulative Supplement, 2012, is repealed.