LEGISLATURE OF NEBRASKA

ONE HUNDRED FIFTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 21

Introduced by Riepe, 12.

Read first time January 05, 2017

Committee:

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23 Supplement, 2016, is repealed.