



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 709

Chairperson: Deb Fischer
Committee: Transportation and Telecommunications
Date of Hearing: January 28, 2008

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

The purpose of LB 709 is to make the process of titling, licensing, and registering a motor vehicle more efficient for the consumer. It allows a consumer to:

- purchase a vehicle,
- pay all taxes and fees related to titling, registering, and licensing the vehicle,
- put license plates on the vehicle with the proper decals, and
- complete all documents and applications relating to the purchase, titling, registering, and licensing the vehicle

in one day, in one stop, at the dealer. A subsequent trip to the county is unnecessary. The records in the county court house will be updated electronically by the dealer at the time the purchase is made. The only remaining business is for the county official to mail the title and registration to the owner.

When making a sale, this bill gives motor vehicle dealers the authority to collect all taxes and fees relating to titling, licensing, and registering a new or used:

- motor vehicle of 10 passenger capacity or less,
- a truck, or
- a motorcycle.

The dealer will compute and collect the necessary fees and taxes and relay them to the county official who would normally compute and collect them. The dealer will also process any applications or documents necessary to complete the titling, licensing, and registering and forward the applications or documents to the county official to complete the process.

No dealer can exercise the authority created under this bill unless the dealer adequately completes an application with the Department of Motor Vehicles. In addition, both the dealer and the purchaser must agree to the collection and submission of the taxes, fees, and documents under this bill, otherwise the purchaser will be required to make a subsequent trip to the county official and complete the process, as is provided by law. The responsibility to properly license, title, and register a vehicle remains with the owner. The dealer may charge a negotiable fee to provide these services.

Approved dealers will receive license plates, validation stickers and tonnage decals from the Department of Motor Vehicles. The dealer will issue and install license plates, stickers and decals according to state law under the authority granted to it by the Department of Motor Vehicles.

Upon receiving the taxes and fees, the county official will mail the title and the registration to the owner. If the title has a lien holder, the county official will mail the title to the lien holder.

The titling, licensing, and registering process created under this bill will not begin until January 1, 2010.

The sales tax collection fee remains with the county, not the dealer.

The Installment Sales Act is amended to allow the purchaser to finance the fees and taxes collected by a dealer.

Principal Introducer:

Senator Rich Pahls

(This statement includes the provisions of AM1573, printed on page 315 of the Legislative Journal.)