

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 688

Introduced by Christensen, 44.

Read first time January 08, 2014

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to the Director of Insurance; to amend section
2 44-3524, Reissue Revised Statutes of Nebraska; to change
3 a provision relating to cease and desist orders; and to
4 repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-3524, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 44-3524 (1) The director may issue an order ~~and notice of~~
4 ~~hearing~~ instructing a motor vehicle service contract provider to
5 cease and desist from selling or offering for sale motor vehicle
6 service contracts if the director determines that the provider has
7 failed to comply with the Motor Vehicle Service Contract
8 Reimbursement Insurance Act. At the same time the order is issued,
9 the director shall serve notice to the motor vehicle service provider
10 of the reasons for such order and that the motor vehicle service
11 provider may request a hearing in writing within ten business days
12 after receipt of the order. If a hearing is requested, the director
13 shall schedule a hearing within ten business days after receipt of
14 the request. The hearing shall be conducted in accordance with the
15 Administrative Procedure Act. If a hearing is not requested and none
16 is ordered by the director, the order shall remain in effect until
17 modified or vacated by the director.

18 (2) Upon the failure of a motor vehicle service contract
19 provider to obey a cease and desist order issued by the director, the
20 director may give notice in writing of the failure to the Attorney
21 General who may commence an action against the provider to enjoin the
22 provider from selling or offering for sale motor vehicle service
23 contracts until the provider complies with the act. The district
24 court may issue the injunction.

25 Sec. 2. Original section 44-3524, Reissue Revised

1 Statutes of Nebraska, is repealed.