

**One Hundred Third Legislature - First Session - 2013**

**Introducer's Statement of Intent**

**LB251**

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**Chairperson: Senator Galen Hadley**

**Committee: Revenue**

**Date of Hearing: March 14, 2013**

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

Under current law auto rental companies must charge a fee of 4.5% on each rental contract. This fee was put in place in 1993 to allow companies to recover the cost of licensing cars in Nebraska. The entire amount of this fee must be turned over to the counties and therefore is not a revenue generator for these companies. In some cases the 4.5% is too much and in other cases the current fee is not enough to recover the full licensing costs of the vehicle.

LB 251 would allow rental car companies to charge a fee up to 5.75%. Companies can then fluctuate this fee up and down so they may recover the full cost of licensing, but not be forced to collect the fee when it is not needed.

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

**Senator Thomas Hansen**