

**One Hundred Fifth Legislature - Second Session - 2018**

**Introducer's Statement of Intent**

**LB860**

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**Chairperson: Senator Curt Friesen**

**Committee: Transportation and Telecommunications**

**Date of Hearing: January 22, 2018**

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

Under LB 860, when used vehicles are subject to federal recall and the manufacturer orders their franchisee not to sell those vehicles in the dealer's inventory until the necessary repair is available, the manufacturer would be required to compensate the dealer one percent per month of the dealer's cost of the vehicle until the required repair is available. This bill applies only between franchised dealers and their franchisor, and only when the franchisor who manufactured the defective vehicle orders its franchised dealer not to sell the vehicle.

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

Senator Curt Friesen