

**ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021**  
**COMMITTEE STATEMENT**  
**LB343**

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**Hearing Date:** Tuesday February 02, 2021  
**Committee On:** Transportation and Telecommunications  
**Introducer:** Friesen  
**One Liner:** Change identification inspection provisions under the Motor Vehicle Certificate of Title Act

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File

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**Vote Results:**

**Aye:** 8 Senators Albrecht, Bostelman, Cavanaugh, M., DeBoer, Friesen, Geist, Hughes, Moser

**Nay:**

**Absent:**

**Present Not Voting:**

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**Oral Testimony:**

**Proponents:**

Senator Curt Friesen  
Chad Tessman

**Representing:**

Introducer  
NE Independent Auto Dealers Assoc

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB 343 would provide an expedited process for motor vehicles sold by all motor vehicle dealers to be inspected by county sheriffs. This expedited process is currently only available to franchisees. This bill would also change the time of inspection from when the vehicle is in inventory to when the vehicle is sold from the inventory by the motor vehicle dealer.

Current law requires county sheriffs to perform motor vehicle identification inspections before a certificate of title is issued for vehicles unless (a) the title sought is a salvage title branded certificate of title or a nontransferable certificate of title; (b) the surrendered ownership document is a Nebraska certificate of title, a manufacturer's statement of origin, an importer's statement of origin, a United States Government Certificate of Release of a vehicle, or a nontransferable certificate of title; (c) the application contains a statement that the vehicle is to be registered under section 60-3,198 (namely, fleet vehicles in interjurisdictional commerce); (d) the vehicle is a cabin trailer; (e) the title sought is the first title for a vehicle sold directly by the manufacture of the vehicle to a dealer franchised by the manufacturer; or (f) the vehicle was sold at an auction authorized by the manufacturer and purchased by a dealer franchised by the manufacturer of the vehicle.

2019 LB 80 allowed a sheriff to establish a process to enter into an agreement with a franchisee as defined in Section 60-1401.19 in the county where the sheriff conducts the identification inspections.

LB 343 would make this process available to all motor vehicle dealers as defined in section 60-1401.26 with an established place of business as defined in section 60-1401.15.

Current law directs a sheriff to collect information for the identification inspection while vehicles are in inventory. This bill would change the time of inspection from when the vehicle is in inventory to when the vehicle is sold from the inventory by the motor vehicle dealer. At the time of sale, the motor vehicle dealer would provide, in a manner prescribed by the sheriff, (a) the appropriate inspection fee; (b) documents evidencing the transfer; and (c) vehicle information, including the make, model, VIN, odometer reading, and photograph or digital image of the vehicle.

The sheriff would conduct the inspection using the documents, and would then issue the statement required in Section 60-146 that the inspection was completed. If information was incomplete or there was reason to believe that further inspection was necessary, the sheriff would inform the motor vehicle dealer. If the motor vehicle dealer knowingly provided inaccurate or false information, the motor vehicle dealer would be liable for any damages. The motor vehicle dealer would be required to keep records provided to the sheriff for five years after the inspection was completed.

Section-by-Section Summary:

Section 1. amends section 60-146 to expand expedited motor vehicle inspections to all motor vehicle dealers, and change the time of inspection to the time of sale, rather than while the vehicles are in inventory.

Section 2. repeals the original section.

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Curt Friesen, Chairperson