

# **One Hundred Seventh Legislature - First Session - 2021**

## **Introducer's Statement of Intent**

### **LB602**

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**Chairperson: Senator Matt Williams**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 16, 2021**

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

The intent of Legislative Bill 602 is to ensure Nebraska insureds receive motor vehicle repair commensurate with the condition of the motor vehicle when the vehicle is 36 months or newer. LB602 requires motor vehicle insurance policies to provide notice and consumer acknowledgement of use of aftermarket parts when such policies insure motor vehicles older than 36 months. The intent of LB602 is to prohibit a designation of a total loss if the cost to repair the motor vehicle is less than 75% of the fair market value of the motor vehicle at the time of the insurance claim. In calculating the fair market value of a motor vehicle the following shall not be included: airbags, air bag components, wheels, tires, accessories or modifications added to the motor vehicle after such motor vehicle was manufactured, towing expenses, diagnostic scans, or tax on the consumer care of the motor vehicle.

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

**Senator Rich Pahls**