



Ninety-Ninth Legislature - Second Session - 2006  
**Introducer's Statement of Intent**  
**LB 947**

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**Chairperson:** Tom Baker  
**Committee:** Transportation and Telecommunications  
**Date of Hearing:** January 17, 2006

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

The purpose of LB 947 is to amend the statutes to allow the Department of Motor Vehicles a method to deal with the few trucking companies who present unfunded checks for payment of the International Registration Plan (IRP) registration fees or fuel taxes pursuant to the International Fuel Tax Agreement (IFTA). The bill will allow the Department to revoke the company's credentials after seven days written notice if the company has paid with an unfunded check and does not act to make the check good after informal notice. The Department has noticed that once they can get a company revoked and a truck stopped, the company pays very quickly. The problem is that the current law requires a rather lengthy process before a trucking company can be revoked and a few bad actors take advantage of that time to run without paying.

LB 947 is aimed at giving the Department a means to deal with the few bad actors, but not affect the majority of trucking companies that comply with the law. The Department believes is better to be able to take action against the few who are problems, rather than slow down a whole industry by requiring certified funds or waiting for checks to clear before issuing credentials. LB 947 protects companies that comply with the law from having to compete against companies who have not properly paid what is owed but continue to run their fleets because the present statute takes a long time to revoke for paying with a bad check.

The bill will also help the Department of Motor Vehicles Distributive Fund. The Department collects registration fees and fuel taxes from Nebraska based trucking companies, and deposits these in the fund. When a trucking company files in Nebraska, IRP and IFTA require Nebraska to transmit the collected taxes and fees to other jurisdictions to pay for the company's travel through those jurisdictions. Nebraska trucks that are registered through IRP and pay taxes through IFTA do not have to stop at state borders to make such payments. However, when a check for fees or taxes bounces, the money is still taken out of the Distributive Fund and transmitted to other jurisdictions. The fund cannot be made whole until the fees and taxes paid for by the bad check can be collected.

**Principal Introducer:**

\_\_\_\_\_ **Senator Mike Flood**