

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 16, 2000 LB 1018

lemon law and those provisions, and so it's an attempt to make sure they don't circumvent those rules and regulations by selling by mail or by the Internet. That is what I believe our intent is with respect to that section, besides putting the obligation on them to identify distributors within the area of the consumer's residence, where they might also be able to...to acquire a new motor vehicle. And in that section we're just talking about a manufacturer or distributor, you understand. In the last couple sentences or last sentence of subsection 5, we're talking about manufacturer or distributor only.

SENATOR BEUTLER: Why would you require a manufacturer or distributor to reveal other...to reveal the community source or the community franchise and not a franchisee from another part of the state?

SENATOR BROMM: Well, I think it's because a franchisee has spent and invested a considerable amount of money to acquire a franchise to do business. And we have a free-flow of business between franchise areas. I can go to Omaha and get a car, I can go to Fremont, which is a different franchise area, or David City, or Lincoln, and there's free-flow of cars, if you will, between franchisees. But when you put the manufacturer into the mix, then you have again a different situation because then you have what we feel is unfair competition. So we're singling out the manufacturer or distributor. And if they're going to try to bypass these franchisees who have spent the money, invested the money, then they're on a different...they're subject to these provisions.

SENATOR BEUTLER: Does...in order for...under this provision, is it necessary for the manufacturer, distributor, or other person to get any sort of Nebraska license in order to sell by mail or by Internet?

SENATOR BROMM: Is it necessary for a...

PRESIDENT MAURSTAD: One minute.

SENATOR BROMM: ...manufacturer or distributor, is that...is that the question?