

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

January 23, 2003 LB 182

to address LB 182? Senator Beutler.

SENATOR BEUTLER: Senator Baker, again, just a few questions, if I could, to reorient myself to the situation. This is the law that says that...tell me...well, let's go back. Tell me what this law does, essentially. What law are we working with?

SPEAKER BROMM: Senator Baker.

SENATOR BAKER: The concern was that a manufacturer would come in and put a dealership within an existing area of service. The manufacturer could very well own that dealership, in order to drive another established dealer out of business, I think, is the basis of all this.

SENATOR BEUTLER: Okay. So if you're defining a community, then a manufacturer cannot establish another franchisee within that community?

SENATOR BAKER: That's correct.

SENATOR BEUTLER: Okay. And so in the franchise agreement, for example, and I'm thinking of Lancaster County, because that's the county I'm concerned with, but in the franchise agreement, conceivably, all of Lancaster County could be given over by a manufacturer to one dealership, right?

SENATOR BAKER: That's correct.

SENATOR BEUTLER: And then there could be no other dealership in Lancaster County selling that manufacturer's product. Is that the way it works? Right?

SENATOR BAKER: Well, this would not affect any current dealers, of course.

SENATOR BEUTLER: Right.

SENATOR BAKER: But you could paint that scenario, yes.

SENATOR BEUTLER: So in Omaha, which is another metropolitan