

STATE OF NEBRASKA
NEBRASKA MOTOR VEHICLE INDUSTRY LICENSING BOARD

301 CENTENNIAL MALL SOUTH
PO BOX 94697
LINCOLN, NE 68509

Telephone: 402-471-2148
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<http://mvdealerbd.ne.gov>

APPLICATION FOR DEALER LICENSE INSTRUCTIONS

- All licenses are for calendar year only – licenses expire December 31st of the year they are issued. *NO money for the dealer's license is collected until AFTER the dealership has been inspected and approved by our agency.*
- **DEALERSHIP NAME:** Must reflect the nature of your business; i.e., "Jones Car Sales." The Dealership name cannot use the terms "discount," "wholesale," "for less," etc. Any questions about the suitability of your dealership name, please contact this office.
- **LOCATION/ZONING:** Dealership location must conform to applicable zoning laws. A copy of the zoning permit with the dealership name and address or a letter from the zoning authority confirming that auto/trailer sales is a permitted use at the dealership location **must** accompany your application. The property must have one contiguous area to display ten or more motor vehicles, motorcycles or trailers.
- **PHOTOGRAPH OF SIGN/BUSINESS:** A photograph of the place of business and dealership sign must be submitted with the application. The name of the dealership must be in letters at least eight inches (8") in height on the sign and must match the dealership name that is on the application. The sign must be permanent in nature and visible from the main avenue of traffic.
- **TELEPHONE:** The Dealership **must** have a working telephone, and the telephone number **must be listed with Directory Assistance in the exact dealership name.** Cellular or mobile telephones are **not** acceptable.
- **BUSINESS HOURS:** The dealership must be open 40 hours per week with at least 20 of those hours during regular business hours (8 a.m. to 5 p.m.). The Dealership must have posted business hours.
- **LEASE AGREEMENT:** If you do not own the proposed dealership location, a copy of the lease agreement must accompany the application. The lease cannot end before December 31st of the current year and should be in your exact dealer name and address.
- **SERVICE FACILITY or AGREEMENT:** The dealership must have their own service facilities to handle service and repairs or complete the Service Agreement with a second party that is within the dealership's county.
- **AUTOMOBILE LIABILITY INSURANCE:** **Certificate of Liability Insurance** from an insurance carrier authorized to do business in Nebraska must accompany the application. The certificate **must** contain: (1) Exact dealership name and address; (2) Type of coverage to include Automobile Liability for either "**AnyAuto**" or "**All Owned Autos**"; (3) Coverage dates; (4) Policy number, and (5) the Motor Vehicle Industry Licensing Board listed as the Certificate Holder including the Board's address. Insurance coverage must meet or exceed Nebraska Statute 60-534 and 60-538 limits. **Trailer Only Dealers** are exempt from Automobile Liability Insurance.
- **WORKERS' COMPENSATION INSURANCE:** The dealership must either elect or elect not to be covered under the Nebraska Workers' Compensation Act (see Workers Compensation Waiver form for details). If the dealership **elects to be covered**, a proper Certificate of Workers' Compensation Insurance must accompany the application. The certificate must contain: (1) Exact dealership name and address; (2) Coverage dates; (3) Policy number and, (4) Motor Vehicle Industry Licensing Board listed as the certificate holder including the Board's address. If the dealership elects not to be covered, the Workers Compensation Waiver exempting the dealership from Workers' Compensation is to be completed and signed.
- **CORPORATE SURETY BOND:** A \$50,000 bond (on a form approved by the Nebraska Attorney General) signed by a Nebraska registered agent, must accompany the application. The bond must be written to reflect the ownership of the dealership, i.e., owner, partnership, corporation or LLC. If the dealership is a corporation or LLC, the LLC or the corporate name must be filed with the Nebraska Secretary of State-Business Services.
- **FRANCHISED DEALERS:** If you have a franchise agreement or contract with a manufacturer or distributor, a copy of such franchise agreement or contract must be in the exact dealership name and address and should accompany the application.

The application paperwork is submitted to our office for review. It is then forwarded to one of the field investigators. The investigator will contact the prospective dealer and schedule an appointment to inspect the dealership. After the inspection and approval, the applicant returns the Inspection Report and any other required items with the fee to our office for issuance of the license. A Treasurer's Certificate is issued with the Dealer's License; this Treasurer's Certificate authorizes the County Treasurer to issue dealer plates to the dealer.

Motor Vehicle Industry Licensing statutes 60-1401 through 60-1440 may be viewed at www.nebraska.gov

**** EXAMPLES of issuance of the Bond to reflect the dealership's ownership and name**

If applying as an individual owner: for example, the applicant will be doing business as Doe's Auto Sales (item 1 on the application) and item 9 on the application indicates the ownership as an Individual, John Doe: The bond is issued as John Doe dba Doe's Auto Sales

If applying as a partnership: for example, the applicant will be doing business as Doe's Auto Sales (item 1 on the application) and item 9 on the application indicates the ownership as partners, John Doe and Mary Doe: The bond is issued as John Doe and Mary Doe dba Doe's Auto Sales

Corporately-owned or LLC owned:

If applying as a corporately-owned or LLC owned dealership and the name of the corporation or LLC reflects autos, trailers, or motorcycles, etc. the name of the dealership could be the same. For example: Doe's Autos and Trailers, Inc.

Doe's Auto and Trailers, Inc. would be registered with the Nebraska Secretary of State, Business Services.

Doe's Auto and Trailers, Inc. would be entered on Item 1 and Item 9 on the dealer's license application.

The bond would be issued as Doe's Autos and Trailers, Inc.

If a 'dba' name is required because the corporate name or LLC does not reflect car, auto, trailer sales, etc. or the name of the dealership is different than the name of the corporation or LLC: for example, the applicant is applying as Doe's Motorcycle Sales with the owner being Doe Enterprises LLC.

Item 1 on the application is the name of the dealership: Doe's Motorcycle Sales

Item 9 on the application is the LLC ownership: Doe Enterprises LLC (Doe Enterprises LLC would be registered with the Nebraska Secretary of State)

The bond would be issued as Doe Enterprises LLC dba Doe's Motorcycle Sales.

In this last example the dealership's sign, telephone number, and any advertising would be in the name of the dealership: Doe's Motorcycle Sales.

The bond with the original ink signatures of the applicant and notary are submitted with the dealer's license application. The dealer applicant should keep a copy of the bond for their records. If the bond is issued by an out of state agent, a copy of the agent's Nebraska Producer's License should accompany the bond. If a bond rider must be issued to correct the name of the principal or the county of the dealership, the bond rider must be attached to the original bond (do not alter the original bond).

Please call our agency if you have questions about the name of the dealership being acceptable or perhaps in use by another dealer.

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