



NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS

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July 14, 2009

The Honorable Jon Bruning
Attorney General of Nebraska
Office of the Attorney General
2115 State Capitol
Lincoln, NE 68509

Dear Attorney General Bruning:

On behalf of the National Association of Surety Bond Producers (NASBP), a national trade association of surety bond producers, whose membership includes licensed resident bond agents and licensed non-resident bond agents in Nebraska, I am writing you to respectfully request the prompt review and modification of the Nebraska Motor Vehicle Auction Dealer bond form, a standardized bond form currently in use by the Nebraska Motor Vehicle Industry Licensing Board and approved by your office in 1984 (copy of form attached), which includes a requirement for a "NEBRASKA RESIDENT AGENT SIGNATURE."

This signature requirement appears wholly outdated with respect to modern business practices and is at odds with the current state of the law. Nebraska statutes do not establish or require such a signature requirement. Moreover, requirements for resident agent countersignatures have been repealed or invalidated throughout the United States, as such requirements ensure a practice of disparate treatment between licensed non-resident agents and licensed resident agents. Recent federal court decisions make clear that, on constitutional grounds, licensed non-resident agents must be given the ability to conduct business on substantially equal terms with licensed resident agents.

Although the resident agent signature requirement in the bond form simply may be an unfortunate and lingering holdover from a time when such requirements were in existence, immediate action needs to be taken to revise the bond so that (1) nonresident and resident licensed agents are placed on substantially equal terms and (2) motor vehicle dealers will not be unnecessarily delayed in their ability to conduct business due to misguided rejection of bonds not bearing "resident agent" signatures.

NASBP appreciates your attention to this important matter and looks forward to your prompt response.

Sincerely,

Mark H. McCallum
General Counsel & Director of Government Relations

cc: Nebraska Motor Vehicle Industry Licensing Board
Richard A. Foss, NASBP

encl.