

1 SEC. 15. The provisions of sections one (1), two (2), and three (3) of this Act  
2 shall become effective January 1, 1977.

Approved June 27, 1976

## CHAPTER 1107

### UNIFORM COMMERCIAL CODE

S. F. 1272

AN ACT relating to security interests regulated by the uniform commercial code.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Section one hundred thirty-five D point twenty-six (135D.26),  
2 subsection one (1), paragraph c, and subsection two (2), Code 1975, are amended  
3 to read as follows:

4 c. If a ~~lien~~ *security interest* is noted on the certificate of title, tendering to the  
5 secured party a mortgage on the real estate upon which the mobile home is to be  
6 located in the unpaid amount of the secured debt, and with the same priority as  
7 or a higher priority than the secured party's ~~lien~~ *security interest*, or obtaining  
8 written consent of the secured party to the conversion.

9 2. After complying with the provisions of subsection 1, the owner shall notify  
10 the assessor who shall inspect the new premises for compliance. If a ~~lien~~ *security*  
11 *interest* is noted on the certificate of title, the assessor shall require an affidavit, as  
12 defined in section 622.85, from the mobile home owner, declaring that the owner  
13 has complied with subsection 1, paragraph "c", and shall send notice of the  
14 proposed conversion to the secured party by regular mail not less than ten days  
15 before the conversion becomes effective. When the mobile home is properly  
16 converted, the assessor shall then collect the mobile home vehicle title,  
17 registration, and license plates from the owner and enter the property upon the  
18 tax rolls.

1 SEC. 2. Section three hundred twenty-one point fifty (321.50), title, and  
2 subsections one (1) and five (5), Code 1975, and subsection seven (7), as amended  
3 by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter one hundred  
4 seventy-one (171), section eight (8), are amended to read as follows:

5 **321.50 Lien Security interest provisions.**

6 1. A security interest in a vehicle subject to registration under the laws of this  
7 state, except trailers whose empty weight is two thousand pounds or less, and  
8 wagon box trailers subject to a registration fee of five dollars or less, and new or  
9 used vehicles held by a dealer or manufacturer as inventory for sale, is perfected  
10 by the delivery to the county treasurer of the county where the certificate of title  
11 was issued or, in the case of a new certificate, to the county treasurer where the  
12 certificate will be issued of an application for certificate of title which lists such  
13 security interest, or an application for notation of security interest signed by the  
14 owner, or a certificate of title from another jurisdiction which shows such security  
15 interest, and a fee of two dollars for each security interest shown. If the owner or  
16 secured party is in possession of the certificate of title, it must also be delivered at  
17 this time in order to perfect the security interest. If a vehicle is subject to a  
18 security interest when brought into this state, the validity of the security interest  
19 and the date of perfection is determined by the Uniform Commercial Code,  
20 section 554.9103. *Delivery as provided in this subsection shall be deemed to be*  
21 *indication of a security interest on a certificate of title for purposes of chapter five*

22 *hundred fifty-four (554) of the Code.*

23 5. The Uniform Commercial Code, chapter 554, Article 9, shall apply to all  
24 transactions intended to create a security *interest* in vehicles except as provided in  
25 this chapter.

26 7. Upon request of any person, the county treasurer shall issue his certificate  
27 showing whether there are, on the date and hour stated therein, any security  
28 interests noted on a particular vehicle's certificate of title, and the name and  
29 address of each secured party whose ~~lien~~ *security interest* is noted thereon. The  
30 uniform fee for a written certificate shall be two dollars if the request for the  
31 certificate is on a form conforming to standards prescribed by the secretary of  
32 state; otherwise, three dollars. *Upon request and payment of the appropriate fee, the*  
33 *county treasurer shall furnish a certified copy of any security interest notations for a*  
34 *uniform fee of one dollar per page.*

1 SEC. 3. Section five hundred fifty-four point one thousand two hundred one  
2 (554.1201), subsection thirty-two (32), Code 1975, is amended by striking the  
3 subsection and inserting in lieu thereof the following:

4 32. "Purchase" means any voluntary transaction creating an interest in  
5 property, including taking by sale, discount, negotiation, mortgage, pledge,  
6 voluntary lien, issue, reissue or gift.

1 SEC. 4. Section five hundred fifty-four point nine thousand one hundred three  
2 (554.9103), subsection one (1), paragraph c, and subsection two (2), paragraph a,  
3 are amended to read as follows:

4 c. If the parties to a transaction creating a ~~purchase money~~ security interest in  
5 goods in one jurisdiction understand at the time that the security interest attaches  
6 that the goods will be kept in another jurisdiction, then the law of the other  
7 jurisdiction governs the perfection and the effect of perfection or nonperfection of  
8 the security interest from the time it attaches until thirty days after the debtor  
9 receives possession of the goods and thereafter if the goods are taken to the other  
10 jurisdiction before the end of the thirty-day period.

11 a. This subsection applies to goods covered by a ~~certificate~~ *one or more*  
12 *certificates* of title issued under a statute of this state or of another jurisdiction  
13 under the law of which indication of a security interest on the certificate is  
14 required as a condition of perfection.

1 SEC. 5. Section five hundred fifty-four point nine thousand two hundred four  
2 (554.9204), subsection one (1), Code 1975, is amended to read as follows:

3 1. Except as provided in subsection 2, a security agreement may provide that  
4 any or all obligations covered by the security agreement are to be secured by  
5 after-acquired collateral, *including after-acquired collateral which also constitutes*  
6 *identifiable noncash proceeds.*

1 SEC. 6. Section five hundred fifty-four point nine thousand three hundred two  
2 (554.9302), subsection three (3), paragraph b, Code 1975, is amended to read as  
3 follows:

4 b. the following statutes of this state; sections 321.18, ~~and~~ 321.20 *and three*  
5 *hundred twenty-one point fifty (321.50) of the Code*; but during any period in which  
6 collateral is inventory held for sale by a person who is in the business of selling  
7 goods of that kind, the filing provisions of this Article (Part 4) apply to a security  
8 interest in that collateral created by him as debtor; or

1 SEC. 7. Section five hundred fifty-four point nine thousand three hundred  
2 thirteen (554.9313), subsection four (4), paragraphs c and d, Code 1975, are  
3 amended to read as follows:

4 c. the fixtures are readily removable ~~factory or office machines equipment~~ or  
5 readily removable replacements of domestic appliances which are consumer  
6 goods, and before the goods become fixtures the security interest is perfected by  
7 any method permitted by this Article *including section five hundred fifty-four point*

8 nine thousand three hundred two (554.9302), subsection one (1), paragraph d, of the  
9 Code; or

10 d. the conflicting interest is a lien on the real estate obtained by legal or  
11 equitable proceedings after the security interest was perfected by any method  
12 permitted by this Article including section five hundred fifty-four point nine thousand  
13 three hundred two (554.9302), subsection one (1), paragraph d, of the Code.

1 SEC. 8. Section five hundred fifty-four point nine thousand four hundred one  
2 (554.9401), subsection one (1), paragraph b, is amended to read as follows:

3 b. when the collateral is consumer goods and when the debtor resides in this  
4 state, then in the office of the recorder in the county of the debtor's residence or  
5 if the debtor is not a resident of this state then in the office of the recorder in the  
6 county where the goods are kept;

1 SEC. 9. Section five hundred fifty-four point nine thousand four hundred two  
2 (554.9402), subsections three (3), six (6) and seven (7), Code 1975, are amended to  
3 read as follows:

4 3. A form substantially as follows is sufficient to comply with subsection 1:

5 Name of debtor (or assignor) .....  
6 Address .....  
7 Name of secured party (or assignee) .....  
8 Address .....

9 (1) This financing statement covers the following types (or items) of property:  
10 (Describe) .....

11 (2) (If collateral is crops) The above described crops are growing or are to be  
12 grown on:

13 (Describe Real Estate) .....

14 (3) (If applicable) The above goods are to become fixtures on

15 ~~Where~~ Where appropriate substitute either add or substitute "The above timber  
16 is standing on . . . ." or "The above minerals or the like (including oil and gas) are  
17 located on . . . ." or "The above accounts will be financed at the wellhead or  
18 minehead of the well or mine located on . . ." or any or all of these

19 (Describe Real Estate) ..... and this financing statement is to be filed  
20 for record in the real estate records. (If the debtor does not have an interest of  
21 record)

22 The name of a record owner is .....

23 (4) (If products of collateral are claimed)

24 Products of the collateral are also covered.

25 (use whichever is applicable) .....

26 Signature of Debtor (or Assignor) .....

27 Signature of Secured Party (or Assignee) .....

28 6. A mortgage is effective as a financing statement filed as a fixture filing or a  
29 filing covering timber to be cut, or minerals or the like (including oil and gas), or  
30 accounts subject to subsection five (5) of section five hundred fifty-four point nine  
31 thousand one hundred three (554.9103) of the Code or any or all of these, from the  
32 date of its recording if (a) the goods are described in the mortgage by item or  
33 type, (b) the goods are or are to become fixtures or timber to be cut, or minerals or  
34 the like (including oil and gas), or accounts subject to subsection five (5) of section five  
35 hundred fifty-four point nine thousand one hundred three (554.9103) of the Code, or  
36 any or all of these, which are related to the real estate described in the mortgage,  
37 (c) the mortgage complies with the requirements for a financing statement in this  
38 section other than a recital that it is to be filed in the real estate records, and (d)  
39 the mortgage is duly recorded. No fee with reference to the financing statement is  
40 required other than the regular recording and satisfaction fees with respect to the  
41 mortgage.

42 7. A financing statement sufficiently shows the name of the debtor if it gives  
43 the individual, partnership or corporate name of the debtor, whether or not it  
44 adds other trade names or the names of partners. Where the debtor so changes

45 his name or in the case of an organization its name, identity or corporate  
 46 structure that a filed financing statement becomes seriously misleading, the filing  
 47 is not effective to perfect a security interest in collateral acquired by the debtor  
 48 more than four months after the change, unless a new appropriate financing  
 49 statement is filed before the expiration of that time. A filed financing statement  
 50 remains effective with respect to collateral transferred by the debtor even though  
 51 the secured party knows of ~~or consents to~~ the transfer.

1 SEC. 10. Section five hundred fifty-four point nine thousand four hundred  
 2 seven (554.9407), subsections two (2) and three (3), Code 1975, are amended to  
 3 read as follows:

4 2. Upon request of any person, the filing officer shall issue his certificate  
 5 showing whether there is on file on the date and hour stated therein, any  
 6 presently effective financing statement naming a particular debtor and any  
 7 *financing* statement of ~~assignment thereof~~ *changes* and if there is, giving the date  
 8 and hour of filing of each such ~~statement~~ *filing* and the names and addresses of  
 9 each secured party therein. The uniform fee for such a certificate shall be two  
 10 dollars if the request for the certificate is on a form conforming to standards  
 11 prescribed by the secretary of state; otherwise, three dollars. Upon request and  
 12 the payment of the appropriate fee the filing officer shall furnish a certified copy  
 13 of any filed financing statement or *financing* statement of ~~assignment~~ *changes* for  
 14 a uniform fee of one dollar per page.

15 3. Charging no more than a reasonable estimate of cost, in his discretion the  
 16 secretary of state *or a county recorder* may adopt one or more of the following  
 17 methods of providing information concerning public filings in his office to  
 18 persons with an interest in this information that is related exclusively to the  
 19 purposes of this Article:

20 a. subscription telephone service;  
 21 b. subscription daily, weekly or monthly written summaries;  
 22 c. granting suitable space for the preparation of written summaries and the  
 23 provision of telephone service by those persons deemed by the secretary of state  
 24 *or a county recorder* to have a legitimate interest in regular examination of the  
 25 secretary of state's *or the county recorder's* public files; ~~and~~ *or*  
 26 d. any other appropriate method of disseminating information.  
 27 Except with respect to willful misconduct, the state of Iowa, the secretary of state,  
 28 *a county, a county recorder* and their employees and agents are immune from  
 29 liability as a result of errors or omissions in information supplied pursuant to this  
 30 subsection.

1 SEC. 11. Section five hundred fifty-four point nine thousand five hundred four  
 2 (554.9504), subsection one (1), paragraph c, Code 1975, is amended to read as  
 3 follows:

4 c. the satisfaction of indebtedness secured by any subordinate security interest  
 5 *or lien* in the collateral if written notification of demand therefor is received  
 6 before distribution of the proceeds is completed. If requested by the secured  
 7 party, the holder of a subordinate security interest *or lien* must seasonably furnish  
 8 reasonable proof of his interest, and unless he does so, the secured party need not  
 9 comply with his demand.

1 SEC. 12. Section five hundred fifty-four point nine thousand five hundred five  
 2 (554.9505), subsection two (2), Code 1975, is amended to read as follows:

3 2. In any other case involving consumer goods or any other collateral a secured  
 4 party in possession may, after default, propose to retain the collateral in  
 5 satisfaction of the obligation. Written notice of such proposal shall be sent to the  
 6 debtor if he has not signed after default a statement renouncing or modifying his  
 7 rights *to notice and to object to retention of the collateral in full satisfaction of the*  
 8 *obligation*, under this subsection. In the case of consumer goods no other notice  
 9 need be given. In other cases notice shall be sent to any other secured party *or*

10 *lienor* from whom the secured party has received (before sending his notice to the  
 11 debtor or before the debtor's renunciation of his rights) written notice of a claim  
 12 of an interest in the collateral. If the secured party receives objection in writing  
 13 from a person entitled to ~~receive~~ *be sent* notification within twenty-one days after  
 14 the notice was sent, the secured party must dispose of the collateral under section  
 15 554.9504. In the absence of such written objection the secured party may retain  
 16 the collateral in satisfaction of the debtor's obligation. *Retention of the collateral*  
 17 *discharges the security interest of the secured party and discharges any security*  
 18 *interest or lien subordinate to the security interest of the secured party.*

1 SEC. 13. Section five hundred fifty-four point nine thousand five hundred six  
 2 (554.9506), Code 1975, is amended to read as follows:

3 **554.9506 Debtor's right to redeem collateral.** At any time before the secured  
 4 party has disposed of collateral or entered into a contract for its disposition under  
 5 section 554.9504 or before the obligation has been discharged under section  
 6 554.9505, subsection 2, the debtor or any other secured party or *lienor* may unless  
 7 otherwise agreed in writing after default redeem the collateral by tendering  
 8 fulfillment of all obligations secured by the collateral as well as the expenses  
 9 reasonably incurred by the secured party in retaking, holding and preparing the  
 10 collateral for disposition, in arranging for the sale, and to the extent provided in  
 11 the agreement and not prohibited by law, his reasonable attorneys' fees and legal  
 12 expenses.

1 SEC. 14. Section five hundred fifty-four point eleven thousand one hundred  
 2 five (554.11105), subsection four (4), subsection five (5), paragraph a, and  
 3 subsections six (6) and seven (7), Code 1975, are amended to read as follows:

4 4. If the record of a mortgage of real estate would have been effective as a  
 5 fixture filing or a filing covering timber to be cut, or minerals or the like (including  
 6 oil and gas), or accounts subject to subsection five (5) and\* section five hundred fifty-  
 7 four point nine thousand one hundred three (554.9103) of the Code, or any or all of  
 8 these, of goods described therein if this chapter as amended had been in effect on  
 9 the date of recording the mortgage, the mortgage shall be deemed effective as a  
 10 fixture filing as to such goods under section 554.9402, subsection 6 on January 1,  
 11 1975 and the mortgage shall be deemed effective as a filing covering timber to be cut  
 12 or minerals or the like (including oil and gas), or accounts subject to subsection five  
 13 (5) of section five hundred fifty-four point nine thousand one hundred three (554.9103)  
 14 of the Code, or any or all of these, on the effective date of this Act.

15 a. Filings in the office of a county recorder which have not lapsed or been  
 16 terminated prior to January 1, 1975, retain their effectiveness unless subsequently  
 17 lapsed or terminated until January 1, 1980; however, on or after January 1, 1975,  
 18 continuation statements are not to be filed in the office of a county recorder, and  
 19 effectiveness can be continued only through the filing in the office of the  
 20 secretary of state of a financing statement which complies with section 554.9402  
 21 or, if filed before January 1, 1980, with subsection 7; *the effectiveness of such*  
 22 *financing statements is to be continued through continuation statements which comply*  
 23 *with section five hundred fifty-four point nine thousand four hundred three (554.9403),*  
 24 *subsection three (3), of the Code; a prior county filing ordinarily may be continued in*  
 25 *the office of the secretary of state only in the final six months of its effectiveness at the*  
 26 *county level; however, if there were multiple filings in different counties with respect to*  
 27 *the same secured transaction, the multiple filings may be consolidated into a single*  
 28 *filing in the office of the secretary of state if any one of the multiple county filings is*  
 29 *in the final six months of its effectiveness at the county level;*

30 6. If a security interest is perfected or has priority on January 1, 1975, as to all  
 31 persons or as to certain persons without any filing or recording, and if the filing  
 32 of a financing statement would be required for the perfection or priority of the  
 33 security interest against those persons under this chapter as amended, the  
 34 perfection and priority rights of the security interest continue until three years  
 35 after January 1, 1975. The perfection will then lapse unless a financing statement

\*According to enrolled Act

36 which complies with either section 554.9402 or subsection 7 of this section has  
 37 been filed or unless the security interest has been perfected otherwise than by  
 38 filing. *The effectiveness of such financing statements is to be continued through*  
 39 *continuation statements which comply with section five hundred fifty-four point nine*  
 40 *thousand four hundred three (554.9403), subsection three (3), of the Code.*

41 7. Where indicated by this section, a financing statement which otherwise  
 42 complies with section 554.9402 may be signed by *either* the secured party ~~instead~~  
 43 ~~of~~ or the debtor provided that the financing statement is accompanied by a  
 44 carbon, photocopy, or other suitable reproduction of an effective prior filing, and  
 45 evidence of proper prior filing, and states that the prior filing is still effective.  
 46 Insofar as subsection 6 authorizes perfection by filing of security interests which  
 47 have been perfected without filing under section 554.9302, subsection 1,  
 48 paragraph "c," prior to amendment, a financing statement which otherwise  
 49 complies with section 554.9402 may be signed by *either* the secured party ~~instead~~  
 50 ~~of~~ or the debtor provided that the financing statement identifies the security  
 51 agreement and states that the security interest was perfected without filing under  
 52 section 554.9302, subsection 1, paragraph "c," prior to amendment.

1 SEC. 15. Section five hundred fifty-four point eleven thousand one hundred  
 2 five (554.11105), Code 1975, is amended by adding the following new subsection  
 3 as subsection six (6), renumbering the remaining subsections, and correcting  
 4 internal references as required.

5 NEW SUBSECTION. If collateral consists of fixtures, timber to be cut, minerals  
 6 or the like (including oil and gas), or accounts subject to subsection five (5) of  
 7 section five hundred fifty-four point nine thousand one hundred three (554.9103)  
 8 of the Code, filings in the Uniform Commercial Code files of a county recorder  
 9 which have not lapsed or been terminated prior to January 1, 1975, retain their  
 10 effectiveness unless subsequently lapsed or terminated until January 1, 1980;  
 11 however, on or after the effective date of this Act, continuation statements in the  
 12 form of financing statements which are to be recorded in the land records and  
 13 cross-indexed in the Uniform Commercial Code files of the county recorder can  
 14 be filed without regard to the remaining period of effectiveness of the prior filing;  
 15 financing statements used to continue the effectiveness of prior county land-  
 16 related filings must comply either with section five hundred fifty-four point nine  
 17 thousand four hundred two (554.9402), of the Code or with subsection eight (8) of  
 18 this section.

1 SEC. 16. Section five hundred fifty-eight point one (558.1), Code 1975, is  
 2 amended to read as follows:

3 **558.1 "Instruments affecting real estate" defined—revocation.** All  
 4 instruments containing a power to convey, or in any manner relating to real  
 5 estate, including certified copies of petitions in bankruptcy with or without the  
 6 schedules appended, of decrees of adjudication in bankruptcy, and of orders  
 7 approving trustees' bonds in bankruptcy, shall be held to be instruments affecting  
 8 the same; and no such instrument, when certified and recorded as in this chapter  
 9 prescribed, can be revoked as to third parties by any act of the parties by whom it  
 10 was executed, until the instrument containing such revocation is acknowledged  
 11 and filed for record in the same office in which the instrument containing such  
 12 power is recorded, *except that Uniform Commercial Code financing statements and*  
 13 *financing statement changes need not be thus acknowledged.*

1 SEC. 17. Section five hundred fifty-eight point forty-two (558.42), Code 1975,  
 2 is amended to read as follows:

3 **558.42 Acknowledgment as condition precedent.** It shall not be deemed  
 4 lawfully recorded, unless it has been previously acknowledged or proved in the  
 5 manner prescribed in this chapter, except that affidavits and certified copies of  
 6 petitions in bankruptcy with or without the schedules appended, of decrees of  
 7 adjudication in bankruptcy, and of orders approving trustees' bonds in

8 bankruptcy, and *Uniform Commercial Code financing statements and financing*  
 9 *statement changes* need not be thus acknowledged.

Approved June 23, 1976

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## CHAPTER 1108

### MOBILE HOME REGISTRATION

H. F. 1508

AN ACT relating to the registration of mobile homes.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. Sections one hundred thirty-five D point twenty-nine (135D.29), as  
 2 amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter  
 3 sixty-seven (67), section fourteen (14), one hundred thirty-five D point thirty  
 4 (135D.30), one hundred thirty-five D point thirty-one (135D.31), and one hundred  
 5 thirty-five D point thirty-two (135D.32), Code 1975, are repealed.

Approved June 23, 1976

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## CHAPTER 1109

### BIRTH DEFECTS INSTITUTE

S. F. 1225

AN ACT relating to the establishment of a birth defects institute and specifying its powers and duties and making an appropriation.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. NEW SECTION. **Purpose.** In order to provide for the protection  
 2 and promotion of the health of the inhabitants of the state, the state department  
 3 of health shall have the responsibility for the development and administration of  
 4 the state's policy with respect to the conduct of scientific investigations and  
 5 research concerning the causes, prevention, treatment and cure of birth defects.

1 SEC. 2. NEW SECTION. **Establishment of birth defects institute.** There is  
 2 established within the state department of health a birth defects institute for the  
 3 purposes of initiating and conducting investigations of the causes, mortality,  
 4 methods of treatment, prevention and cure of birth defects and related diseases.

1 SEC. 3. NEW SECTION. **Activities of the institute.** The birth defects institute  
 2 may:

3 1. Conduct scientific investigations and surveys of the causes, mortality,  
 4 methods of treatment, prevention and cure of birth defects.

5 2. Publish the results of such investigations and surveys for the benefit of the  
 6 public health and collate such publications for distribution to scientific  
 7 organizations and qualified scientists and physicians.