

**CHAPTER 108****MOTOR VEHICLE PROPORTIONAL REGISTRATION***H.F. 527*

**AN ACT** relating to proportional registration by providing for credits of registration fees when changing the method of registration of vehicles and by requiring owners of vehicles subject to proportional registration to make application to either the state department of transportation or the county treasurer for registration and issuance of certificates of title, and providing an effective date.

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

Section 1. Section 321.20, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Except as provided in this chapter, every an owner of a vehicle subject to registration shall make application to the county treasurer, of the county of the owner's residence, or if a non-resident, to the county treasurer of the county where the primary users of the vehicle are located, for the registration and issuance of a certificate of title for the vehicle upon the appropriate form furnished by the department. However, upon the transfer of ownership, the owner of a vehicle subject to the proportional registration provisions of chapter 326 shall make application for registration and issuance of a certificate of title to either the department or the appropriate county treasurer. The application shall be accompanied by a fee of ten dollars, and every application shall bear the owner's signature of ~~the owner~~ written with pen and ink. However, a nonresident owner of two or more vehicles subject to registration may make application for registration and issuance of a certificate of title for all vehicles subject to registration to the county treasurer of the county where the primary user of any of the vehicles is located. The owner of a mobile home shall make application for a certificate of title under this section. The application shall contain:

Sec. 2. Section 321.24, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Upon receipt of the application for title and payment of the required fees for motor vehicle, trailer, or semitrailer, the county treasurer or the department shall, when satisfied as to the application's genuineness and regularity, and, in the case of a mobile home, that taxes are not owing under chapter 135D, issue a certificate of title and, except for a mobile home, a registration receipt and shall file the application, the manufacturer's or importer's certificate, certificate of title, or other evidence of ownership, as prescribed by the department. The registration receipt shall be delivered to the owner and shall contain upon its face the date issued, the name and address of the owner, the registration number assigned to the vehicle, the title number assigned to the owner of the vehicle, the amount of the fee paid, the amount of tax paid pursuant to section 423.7, the type of fuel used, and a description of the vehicle as determined by the department, and upon the reverse side a form for notice of transfer of the vehicle.

**PARAGRAPH DIVIDED.** The county treasurer shall maintain in the county record system information contained on the registration receipt. The information shall be accessible by registration number and shall be open for public inspection during reasonable business hours. Copies the department requires shall be sent to the department in the manner and at the time the department directs.

**PARAGRAPH DIVIDED.** The certificate of title shall contain upon its face the identical information required upon the face of the registration receipt. In addition, the certificate of title shall contain a statement of the owner's title, the amount of tax paid pursuant to section 423.7, the name and address of the previous owner, and a statement of all security interests and encumbrances as shown in the application, upon the vehicle described including the nature of the security interest, date of notation, and name and address of the secured party. The certificate shall bear the seal of the county treasurer or of the department, and the signature of the county treasurer, or that of the deputy county treasurer, and or the department director or deputy designee. The certificate shall provide space for the signature of the owner. The

owner shall sign the certificate of title in the space provided with pen and ink upon its receipt. The certificate of title shall contain upon the reverse side a form for assignment of title or interest and warranty by the owner, for reassignments by a licensed dealer, and for application for a new certificate of title by the transferee as provided in this chapter. All certificates of title shall be typewritten or printed by other mechanical means. The original certificate of title shall be delivered to the owner if no security interest or encumbrance appears ~~thereon~~ on it. Otherwise the certificate of title shall be delivered by the county treasurer or the department to the person holding the first security interest or encumbrance as shown in the certificate.

PARAGRAPH DIVIDED. The county treasurer or the department shall maintain in the county or department records system information contained on the certificate of title. The information shall be accessible by title certificate number for a period of three years from the date of notification of cancellation of title or that a new title has been issued as provided in this chapter. Copies the department requires shall be sent to the department in the manner and at the time the department directs. The department shall designate a uniform system of title numbers to indicate the county of issuance.

Sec. 3. Section 321.30, unnumbered paragraph 1, Code 1987, is amended to read as follows: The department or the county treasurer shall refuse registration and issuance of a certificate of title or any transfer of title and registration upon any of the following grounds:

Sec. 4. Section 321.30, subsection 3, Code 1987, is amended to read as follows:

3. That the department or the county treasurer has reasonable ground to believe that the vehicle is a stolen or embezzled vehicle or that the granting of registration and issuance of a certificate of title would constitute a fraud against the rightful owner.

Sec. 5. Section 321.30, unnumbered paragraph 2, Code 1987, is amended to read as follows:

The department or the county treasurer shall also refuse registration of ~~any~~ a vehicle if the applicant for registration of ~~such~~ the vehicle has failed to pay the required registration fees of any vehicle owned or previously owned when the registration fee was required to be paid by the applicant, and for which vehicle the registration was suspended or revoked under the provisions of section 321.101, subsection 4, until ~~such~~ the fees are paid together with any accrued penalties.

Sec. 6. NEW SECTION. 321.46A CHANGE FROM PROPORTIONAL REGISTRATION — CREDIT.

An owner changing a vehicle's registration from proportional registration under chapter 326 to registration under this chapter shall be entitled to a credit on the vehicle's registration fees under this chapter. The credit shall be allowed when the owner surrenders to the county treasurer proof of proportional registration provided by the department. The amount of the credit shall be calculated based on the unexpired complete calendar months remaining in the registration year from the date the application is filed with the county treasurer.

Sec. 7. Section 321.126, subsection 4, Code 1987, is amended to read as follows:

4. If the motor vehicle is registered by the county treasurer during the current registration year and the owner or lessee registers the vehicle for ~~prorate~~ proportional registration under chapter 326, the owner of the registered vehicle shall surrender the registration plates to the county treasurer and may file a claim for refund. In lieu of a refund, a credit for the registration fees paid to the county treasurer may be applied by the department to the owner or lessee's proportional registration fees upon the surrender of the county plates and registration.

Sec. 8. Section 321.127, subsection 4, Code 1987, is amended to read as follows:

4. Refunds and credits for motor vehicles registered for ~~prorate~~ proportional registration under chapter 326 shall be paid or credited on the basis of unexpired complete calendar months remaining in the registration year from the date the claim or application is filed with the department.

Sec. 9. Section 326.30, Code 1987, is amended to read as follows:

**326.30 MOTOR VEHICLE LAW APPLICABLE.**

All provisions of chapter 321 insofar as applicable, are hereby specifically extended to include owners who register and title vehicles in this state on a proportional registration basis or who operate interstate on Iowa highways under reciprocity.

Sec. 10. Section 326.45, Code 1987, is amended to read as follows:

**326.45 ISSUANCE — TITLE OBLIGATION.**

Upon receiving application for and payment of the registration fee and notification of title from the county treasurer, the department shall issue registration identification to the applicant carrier and send the certificate of title to the vehicle owner or lienholder. The department shall adopt rules pursuant to chapter 17A to process registration of vehicles titled in other states.

Sec. 11. This Act takes effect on January 1, 1988.

Approved May 5, 1987

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**CHAPTER 109**  
**WATER DISTRICTS**  
*H.F. 398*

**AN ACT** relating to water districts, by providing for water service within two miles of a city and by providing for the determination and apportionment of cost attributed to the annexation of land.

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

Section 1. Section 357.1, Code 1987, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Water services, other than water services provided as of April 1, 1987, shall not be provided within two miles of the limits of a city unless the city has approved a new water service plan submitted by the benefited district. If the new water service plan is not approved by the city, the plan may be subject to arbitration.

Sec. 2. Section 357A.2, Code 1987, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** Water services, other than water services provided as of April 1, 1987, shall not be provided within two miles of the limits of a city by a rural water district incorporated under this chapter or chapter 504A unless the city has approved a new water service plan submitted by the district. If the new water service plan is not approved by the city, the plan may be subject to arbitration.

Sec. 3. **NEW SECTION.** 357A.21 ANNEXATION OF LAND BY A CITY.

A water district organized under chapter 357, 357A, or 504A shall be fairly compensated for losses resulting from annexation. The governing body of a city or water utility and the board of directors or trustees of the water district may agree to terms which provide that the facilities owned by the water district and located within the city shall be retained by the