

CHAPTER 37

MOTOR VEHICLE FINANCIAL RESPONSIBILITY — CERTIFICATES OF DEPOSIT

S.F. 114

AN ACT relating to the filing of a certificate of deposit by the owner of a motor vehicle as proof of financial responsibility.

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

Section 1. Section 321.1, subsection 24B, paragraph c, Code 2013, is amended to read as follows:

c. ~~A valid statement issued by the treasurer of state pursuant to certificate of deposit filed with the department as provided in section 321A.25 attesting to the filing of a certificate of deposit with the treasurer of state.~~

Sec. 2. Section 321A.18, subsection 3, Code 2013, is amended to read as follows:

3. ~~A statement issued by the treasurer of state attesting to the filing of a certificate of deposit with the treasurer of state as provided in section 321A.25.~~

Sec. 3. Section 321A.25, Code 2013, is amended to read as follows:

321A.25 Certificate of deposit as proof.

1. ~~Proof of financial responsibility may be evidenced by the statement of the treasurer of state that the person named in the statement has filed filing with the treasurer of state department fifty-five thousand dollars in the form of an endorsed a certificate of deposit made payable jointly to the person and the treasurer of state department. The certificate of deposit shall be obtained from an Iowa financial institution in the amount of fifty-five thousand dollars plus any early withdrawal penalty fee. The treasurer of state shall promptly notify the director of transportation of the name and address of the person to whom the statement has been issued. Upon receipt of the notification certificate of deposit, the director of transportation department shall issue to the person a security insurance card for each motor vehicle registered in this state by the person. The security insurance card shall state the name and address of the person and the registration number of the motor vehicle for which the card is issued. The treasurer of state shall not accept a certificate of deposit and issue a statement for it and the department shall not accept the statement a certificate of deposit unless accompanied by evidence that there are no unsatisfied judgments of any character against the person in the county where the person resides.~~

2. Such certificate of deposit shall be held by the treasurer of state department to satisfy, in accordance with this chapter, any execution on a judgment issued against the person filing the certificate of deposit, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use of property, resulting from the ownership, maintenance, use, or operation of a motor vehicle after the certificate of deposit was filed. A certificate of deposit so filed shall not be subject to attachment or execution unless the attachment or execution arises out of a suit for damages as previously provided in this subsection.

Sec. 4. Section 321A.27, Code 2013, is amended to read as follows:

321A.27 Substitution of proof.

The department shall consent to the cancellation of a bond or certificate of insurance or the department shall ~~direct and the treasurer of state shall~~ return a certificate of deposit to the person entitled to the certificate of deposit upon the substitution and acceptance of other adequate proof of financial responsibility pursuant to this chapter.

Sec. 5. Section 321A.29, subsection 1, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The department shall upon request consent to the immediate cancellation of a bond or certificate of insurance, or the department shall ~~direct and the treasurer of state shall~~ return to the person entitled thereto a certificate of deposit filed pursuant to this chapter as proof of financial responsibility, or the department shall waive the requirement of filing proof, in any

of the following events:

Sec. 6. Section 321A.29, subsection 2, Code 2013, is amended to read as follows:

2. The department shall not consent to the cancellation of a bond or ~~the~~ return of a certificate of deposit in the event an action for damages upon a liability covered by such proof is then pending or a judgment upon any such liability is unsatisfied, or in the event the person who has filed such bond or such certificate of deposit has within one year immediately preceding such request been involved as an operator or owner in any motor vehicle accident resulting in injury or damage to the person or property of others. An affidavit of the applicant as to the nonexistence of such facts, or that the applicant has been released from all of the applicant's liability, or has been finally adjudicated not to be liable, for such injury or damage, shall be sufficient evidence thereof in the absence of evidence to the contrary in the records of the department.

Approved April 24, 2013