

House substituted S. F. 181 - 3/16

February 11, 1953.
Passed on File.

House File 260
By MOTOR VEHICLES, COMMERCE and
TRADE COMMITTEE.

Passed House, Date.....
Vote: Ayes..... Nays.....
Passed Senate, Date.....
Vote: Ayes..... Nays.....
Approved :.....

A BILL FOR

An Act relating to the origination of titles to Motor Vehicles, trailers and semi-trailers, the issuance and transfer of registrations and certificate of title to the same, the recording of liens thereon and to amend and repeal various sections of the Code 1950, relating thereto.

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

This bill is an identical and companion bill to S. F. 181. For printed text see that bill.

EXPLANATION OF H. F. 260

This bill amends the Code to provide for the issuance of certificates of title upon initial registration and upon transfer of vehicles. The Iowa law relating to the registration of vehicles very closely follows the Uniform Act except that the provisions of the Uniform Act providing for titles being issued to vehicle owners were omitted from the Iowa law. This bill, in the main, simply inserts the title provisions which were originally omitted. Although this causes the bill to appear lengthy and cumbersome, as a matter of fact, the mechanical operation is much simpler and far more beneficial to the motor vehicle owner than our present system of registration of vehicles and the recording of liens thereon.

This bill is primarily designed to benefit the motor vehicle owner, as follows:

- (1) It is another step toward obtaining uniformity of the motor vehicle laws between the states. Thirty-four states presently provide for the issuance of titles to motor vehicle owners.
- (2) The purchaser of a motor vehicle can demand a clear title from the seller which means that liens on the motor vehicle would have to be satisfied before the sale is completed. This protects a buyer from unknowingly purchasing a mortgaged car.
- (3) It reduces materially the chances of Iowa becoming a "dumping ground" for stolen vehicles and will tend to reduce theft insurance rates in Iowa.
- (4) It provides the vehicle owner a simple means of definitely proving to anyone in any state of his rightful and unencumbered ownership to such vehicle.
- (5) Since the registration receipt on the steering column of the car would no longer be sufficient to dispose of the vehicle, it will substantially reduce the temptation to steal cars in Iowa for the purpose of sale.
- (6) Since this bill provides for the issuance of the certificate of title at the county treasurer's office, there will be no delays nor basic changes in the present method of transferring vehicles from dealer to owner or from one owner to another.

