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*Reprinted*

SENATE FILE 2285  
BY COMMITTEE ON TRANSPORTATION

*(formerly SSB 2208)*  
*App. 2 (p. 626)*

Passed Senate, Date 3/22/88 (p. 460) Passed House, Date 3/30/88 (p. 1185)

Vote: Ayes 42 Nays 0 Vote: Ayes 94 Nays 0

Approved April 15, 1988

**A BILL FOR**

1 An Act relating to the enforcement of laws concerning motor  
2 vehicle fraud, salvage, and theft, certificates of title, and  
3 transfer of ownership of foreign, wrecked, and salvage  
4 vehicles and making penalties applicable and providing  
5 effective dates.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

*SF 2285*

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1 Section 1. Section 321.23, subsection 1, Code 1987, is  
2 amended to read as follows:

3 1. If the vehicle to be registered is a specially  
4 constructed, reconstructed, remanufactured or foreign vehicle,  
5 such fact shall be stated in the application. A fee of ten  
6 dollars shall be paid by the person making the application  
7 upon issuance of a certificate of title by the county  
8 treasurer. If the vehicle is a foreign vehicle which has been  
9 registered outside of this state, the county treasurer shall  
10 indicate on the certificate of title the name of the state or  
11 country in which the vehicle was last registered prior to  
12 being registered in this state and the county treasurer shall  
13 continue to indicate the name of such state or country on all  
14 subsequent certificates of title issued for the vehicle. With  
15 reference to every specially constructed or reconstructed  
16 motor vehicle subject to registration the application shall be  
17 accompanied by a statement from the department authorizing the  
18 motor vehicle to be titled and registered in this state. The  
19 department shall cause a physical inspection to be made of all  
20 specially constructed or reconstructed motor vehicles, upon  
21 application for a certificate of title by the owner, to  
22 determine whether the motor vehicle is in a safe operating  
23 condition and that the integral component parts are properly  
24 identified and that the rightful ownership is established  
25 before issuing the owner the authority to have the motor  
26 vehicle registered and titled. With reference to every  
27 foreign vehicle which has been registered outside of this  
28 state the owner shall surrender to the treasurer all  
29 registration plates, registration cards, and certificates of  
30 title, or, if the vehicle to be registered is from a nontitle  
31 state, the evidence of foreign registration and ownership as  
32 may be prescribed by the department except as provided in  
33 subsection 2.

34 Sec. 2. Section 321.24, unnumbered paragraph 3, Code  
35 Supplement 1987, is amended to read as follows:

1 The certificate of title shall contain upon its face the  
2 identical information required upon the face of the  
3 registration receipt. In addition, the certificate of title  
4 shall contain a statement of the owner's title, the amount of  
5 tax paid pursuant to section 423.7, the name and address of  
6 the previous owner, and a statement of all security interests  
7 and encumbrances as shown in the application, upon the vehicle  
8 described including the nature of the security interest, date  
9 of notation, and name and address of the secured party. If  
10 the vehicle has been previously registered outside of this  
11 state, the certificate of title shall contain the name of the  
12 last such state or country in which the vehicle was  
13 registered. The certificate shall bear the seal of the county  
14 treasurer or of the department, and the signature of the  
15 county treasurer, the deputy county treasurer, or the  
16 department director or deputy designee. The certificate shall  
17 provide space for the signature of the owner. The owner shall  
18 sign the certificate of title in the space provided with pen  
19 and ink upon its receipt. The certificate of title shall  
20 contain upon the reverse side a form for assignment of title  
21 or interest and warranty by the owner, for reassignments by a  
22 licensed dealer, and for application for a new certificate of  
23 title by the transferee as provided in this chapter. However,  
24 titles for mobile homes shall not be reassigned by licensed  
25 dealers. All certificates of title shall be typewritten or  
26 printed by other mechanical means.

27 Sec. 3. Section 307.37, Code 1987, is amended to read as  
28 follows:

29 307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW ENFORCEMENT.

30 The department shall investigate and prosecute violators of  
31 the laws concerning motor vehicle fraud including, but not  
32 limited to, the state and federal odometer law. The  
33 department shall refer available evidence concerning a  
34 possible violation of the laws concerning motor vehicle fraud  
35 including, but not limited to, section 321.71 or the federal

1 odometer law or a rule or order issued under section 321.71 or  
2 the federal odometer law, to the attorney general. The  
3 attorney general, with or without the referral, may institute  
4 appropriate criminal proceedings or may direct the case to the  
5 appropriate county attorney to institute appropriate criminal  
6 proceedings. The attorney general may use those funds  
7 available to the department for this purpose and law  
8 enforcement agencies may be reimbursed for expenses incurred  
9 in the enforcement of ~~the-state-and-federal-odometer~~ those  
10 laws, rules, or orders with the approval of the attorney  
11 general and concurrence by the department.

12 Sec. 4. Section 321.52, subsection 4, Code 1987, is  
13 amended to read as follows:

14 4. a. A vehicle rebuilder or a motor vehicle dealer  
15 licensed under chapter 322, upon acquisition of a wrecked or  
16 salvage vehicle, shall surrender the certificate of title and  
17 registration receipt or manufacturer's or importer's statement  
18 of origin properly assigned, together with an application for  
19 a salvage certificate of title to the county treasurer of the  
20 county of residence of the purchaser or transferee within  
21 fourteen days after the date of assignment of the certificate  
22 of title for the wrecked or salvage motor vehicle. This  
23 subsection applies only to vehicles with a fair market value  
24 of five hundred dollars or more, based on the value before the  
25 vehicle became wrecked or salvage. Upon payment of a fee of  
26 two dollars, the county treasurer shall issue a salvage  
27 certificate of title which shall bear the word "SALVAGE"  
28 stamped on the face of the title in bold letters and coded in  
29 a manner prescribed by the department. A salvage certificate  
30 of title may be assigned to any person.

31 b. Notwithstanding any other provisions in this section a  
32 vehicle on which ownership has transferred to an insurer of  
33 the vehicle, as a result of a settlement with the owner of the  
34 vehicle arising out of damage to, or unrecovered theft of the  
35 vehicle, shall be deemed to be a wrecked or salvage vehicle

1 and the insurer shall comply with this subsection to obtain a  
2 salvage certificate of title within fourteen days after the  
3 date of assignment of the certificate of title of the vehicle.  
4 The insurer shall not transfer title of the vehicle except to  
5 an authorized vehicle recycler licensed under chapter 321H, an  
6 authorized vehicle recycler licensed in another state, or the  
7 owner from whom the vehicle was transferred to the insured.

8 c. When a wrecked or salvage vehicle has been repaired or  
9 rebuilt, that person shall make application for a certificate  
10 of title to the county treasurer of the county of residence of  
11 the owner, and shall surrender the salvage certificate of  
12 title issued for the vehicle and a properly executed salvage  
13 theft examination certificate. A-verification Verification of  
14 the vehicle identification number of the vehicle and the  
15 salvage theft examination certificate, and an assessment of  
16 the vehicle's replaced or repaired component parts total point  
17 value in accordance with section 321.52A shall be made by a  
18 peace officer of the state department of transportation, the  
19 department of public safety, county sheriff or police  
20 department of cities with a population exceeding five thousand  
21 persons, or a person designated by the director of public  
22 safety or the director of transportation. The person making  
23 application for the certificate of title shall provide a  
24 photograph of the vehicle showing its damaged condition prior  
25 to its repair or rebuilding to aid in the assessment of the  
26 vehicle's replaced or repaired component parts total point  
27 value. The applicant shall also provide a list of the  
28 component parts of the vehicle which were replaced or repaired  
29 and shall provide documentation of replaced parts showing  
30 where they were obtained and, if a replacement part is used,  
31 the applicant shall provide the vehicle identification number  
32 of the vehicle from which the replacement part originated. If  
33 an applicant fails to provide the photograph, list, or  
34 necessary documentation, the vehicle shall be deemed to have a  
35 replaced or repaired component parts total point value of

1 fifty points or more.

2 A salvage theft examination shall be made by a peace  
3 officer who has been specially trained, certified, and  
4 recertified when required, by the Iowa law enforcement academy  
5 to do salvage theft examinations. The owner of the salvage  
6 vehicle shall make the vehicle available for examination at a  
7 time and location designated by the peace officer doing the  
8 examination. The owner may obtain a permit to drive the  
9 vehicle to and from the examination location by submitting a  
10 repair affidavit to the agency performing the examination  
11 stating that the vehicle is reasonably safe for operation and  
12 listing the repairs which have been made to the vehicle. The  
13 owner must be present for the examination and have available  
14 for inspection the salvage title, bills of sale for all  
15 essential parts changed, and the repair affidavit. The  
16 examination shall be for the purposes of determining whether  
17 the vehicle or repair components have been stolen. The  
18 examination is not a safety inspection and a signed salvage  
19 theft examination certificate shall not be construed by any  
20 court of law to be a certification that the vehicle is safe to  
21 be operated. There shall be no cause of action against the  
22 peace officer or the agency conducting the examination or the  
23 county treasurer for failure to discover or note safety  
24 defects. The repair affidavit, permit, and salvage theft  
25 examination certificate shall be on controlled forms  
26 prescribed and furnished by the department. The owner shall  
27 pay a fee of fifty dollars upon completion of the examination.  
28 The agency performing the examinations shall retain forty  
29 dollars of the fee and shall pay five dollars of the fee to  
30 the department and five dollars of the fee to the Iowa law  
31 enforcement academy to provide for the special training,  
32 certification, and recertification of officers as required by  
33 this subsection.

34 PARAGRAPH DIVIDED. The verification, salvage theft  
35 examination, and assessment shall be made on forms provided by

1 the department and signed by the peace officer or the  
2 appropriately designated person and the verification, salvage  
3 theft examination, and assessment form shall be surrendered by  
4 the owner to the county treasurer at the time application is  
5 made for a certificate of title. Upon payment of the  
6 appropriate fees and surrender of the appropriate documents  
7 the county treasurer shall issue a certificate of title to the  
8 person making application. If the vehicle's replaced or  
9 repaired component parts total point value equals or exceeds  
10 fifty points, the certificate of title and each subsequently  
11 issued certificate of title for the vehicle shall bear the  
12 word "REBUILT" stamped on the face of the title in bold  
13 letters.

14 The assessment provisions of this lettered paragraph do not  
15 apply to vehicles being registered under section 321.115 and  
16 the certificate of title issued to such vehicles shall not  
17 bear the word "REBUILT" stamped on the face of the title.

18 d. For purposes of this subsection a "wrecked or salvage  
19 vehicle" means a damaged vehicle for which the cost of repair  
20 exceeds fifty percent of the fair market value of the vehicle  
21 before it became damaged.

22 Sec. 5. NEW SECTION. 321.52A POINT SYSTEM FOR  
23 DETERMINING DESIGNATION OF REBUILT VEHICLES.

24 1. When a person makes application for a certificate of  
25 title for a wrecked or salvage vehicle which has been repaired  
26 or rebuilt, an assessment shall be made of the replaced or  
27 repaired component parts total point value in accordance with  
28 rules adopted by the department.

29 2. The department shall adopt rules under chapter 17A  
30 designating component part point values for vehicles. The  
31 rules shall assign point values so that the point system  
32 accurately reflects the value of the structural components of  
33 the vehicle. The rules may provide for alternate point  
34 systems for different types of vehicles.

35 Sec. 6. Section 321H.3, unnumbered paragraph 1, Code 1987,

1 is amended to read as follows:

2 Except for educational institutions, ~~people-licensed-as-new~~  
3 ~~or-used-vehicle-dealers-under-chapter-322~~, people engaged in a  
4 hobby not for profit, people engaged in the business of  
5 purchasing bodies, parts of bodies, frames or component parts  
6 of vehicles only for sale as scrap metal or a person licensed  
7 under the provisions of this chapter as an authorized vehicle  
8 recycler, a person in this state shall not engage in the  
9 business of:

10 Sec. 7. The state department of transportation shall adopt  
11 rules which allow authorized vehicle recyclers, as defined in  
12 chapter 321H, to meet the definition of transporter, as  
13 defined in chapter 321, so that transporter plates may be  
14 issued for authorized vehicle recyclers.

15 Sec. 8. Although not binding on the state department of  
16 transportation, it is initially suggested that the following  
17 point values be assigned to component parts for the following  
18 vehicles:

19 1. For a frame type vehicle which is a motor truck  
20 registered for a combined gross weight of three tons or less  
21 or an automobile, the recommended assessed points for  
22 component parts which are replaced or repaired are as follows:

23 <u>Component Part</u>	<u>Point Value</u>
24 Windshield	1
25 Dash	2
26 Interior seats	2
27 Motor	4
28 Transmission	1
29 Rear end	1
30 Glass other than windshield	0
31 Front end assembly	25
32 Header	2
33 Grille	2
34 Front bumper	2
35 Fender assembly	5

1 Hood	5
2 Radiator support	2
3 Radiator	2
4 Air condenser	1
5 Cowl	15
6 Cowl side	10
7 Complete frame less suspension	10
8 Front 1/2 frame	7
9 Rear 1/2 frame	5
10 Side rail of frame	5
11 Repair frame	5
12 Front suspension parts	
13 Lower control	1
14 Upper control	1
15 Spindle	1
16 Center pillar door	5
17 Rocker panel	5
18 Rear clip with roof	25
19 Roof	2
20 Short rear clip	18
21 Quarter panel	12
22 Deck lid	2
23 Tail light per side	1
24 Rear bumper	2
25 Tail gate	2
26 Door (4-door vehicle)	10
27 Door (2-door vehicle)	15
28 2. For a unit body vehicle which is a motor truck	
29 registered for a combined gross weight of three tons or less	
30 or an automobile, the recommended assessed points for	
31 component parts which are replaced or repaired are as follows:	
32 <u>Component Part</u>	<u>Point Value</u>
33 Windshield	1
34 Dash	2
35 Interior seats	2

1 Motor	4
2 Transaxle	2
3 Glass other than windshield	0
4 Front end assembly (with cowl)	50
5 Front end assembly (cut forward	
6 of cowl behind spring tower)	30
7 Front end assembly (cut forward	
8 of spring tower behind	
9 radiator support)	25
10 Front bumper	2
11 Header or front panel	2
12 Grille	2
13 Air condenser	1
14 Radiator	2
15 Radiator support	3
16 Hood	5
17 Fender	3
18 Upper fender support	2
19 Lower frame side rail	4
20 Front crossmember	2
21 McPherson strut	1
22 Upper control	1
23 Lower control	1
24 Spindle	1
25 Cowl	20
26 Cowl side	1
27 1/2 Cowl	15
28 Door (2-door vehicle)	10
29 Door (4-door vehicle)	10
30 Center pillar post door	5
31 Rocker panel	5
32 Center body pan	5
33 Engine cradle	3
34 Rear clip complete (includes	
35 roof, deck lid, tail lights,	

1 rear bumper)	25
2 Short rear clip	20
3 Quarter panel	12
4 Rear trunk pan	3
5 Deck lid	2
6 Tail lights per side	1
7 Rear bumper	1
8 Roof	2

9 Sec. 9. Sections 1, 2, 3, 6, and 7 of this Act take effect  
 10 July 1 following its enactment. Sections 4 and 5 of this Act  
 11 take effect January 1 following its enactment. However, the  
 12 state department of transportation shall adopt rules as  
 13 required for implementation of sections 4 and 5 of this Act  
 14 prior to January 1 following this Act's enactment.

15 EXPLANATION

16 Sections 1 and 2 of this bill require certificates of  
 17 titles issued to foreign vehicles which have been registered  
 18 outside of this state to indicate the name of the state or  
 19 country in which the vehicle was last registered prior to  
 20 being registered in this state.

21 Section 3 expands provisions dealing with the enforcement  
 22 of state and federal odometer laws to include enforcement of  
 23 other motor vehicle fraud laws in the same manner.

24 Section 4 limits insurance companies, which obtain a  
 25 vehicle as the result of a settlement with the owner of the  
 26 vehicle arising out of damage to or unrecovered theft of the  
 27 vehicle, to being able to transfer the title of the vehicle to  
 28 only licensed vehicle recyclers or the owner from whom they  
 29 obtained the title of the vehicle.

30 Sections 4 and 5 require applicants for a certificate of  
 31 title for a repaired or rebuilt wrecked or salvage vehicle to  
 32 have an assessment of the replaced or repaired component parts  
 33 according to a point value system. Vehicles which are  
 34 assessed fifty or more points shall have certificates of title  
 35 issued with the word "REBUILT" in bold letters on the face of

1 the certificates. Section 4 also requires rebuilt, wrecked,  
2 or salvage motor vehicles to undergo a salvage theft  
3 inspection by a qualified law enforcement officer to check for  
4 stolen parts, at the cost of a fifty-dollar inspection fee.  
5 Forty dollars of the inspection fee is retained by the agency  
6 performing the examination, five dollars of the fee is paid to  
7 the state department of transportation, and the remaining five  
8 dollars is paid to the Iowa law enforcement academy to provide  
9 for the special training, certification, and recertification  
10 of officers. Sections 4 and 5 do not apply to any vehicle  
11 with a fair market value of less than five hundred dollars  
12 based on the value of the vehicle before it became wrecked or  
13 salvage. The point assessment provisions of sections 4 and 5  
14 do not apply to antiquated vehicles being specially registered  
15 under section 321.115; however, the salvage theft examination  
16 provisions of section 4 do apply to such vehicles.

17 Section 6 requires people licensed as new or used vehicle  
18 dealers under chapter 322 to be licensed as authorized vehicle  
19 recyclers under chapter 321H (with certain exceptions) if they  
20 wish to be in the business of selling, wrecking, or rebuilding  
21 in one calendar year six or more wrecked or salvage vehicles  
22 subject to registration.

23 Section 7 requires the state department of transportation  
24 to adopt rules so that authorized vehicle recyclers may apply  
25 for transporter plates.

26 Section 8 provides a suggested point system for component  
27 parts of certain vehicles, but the provisions are not binding  
28 on the state department of transportation.

29 Sections 1, 2, 3, 6, and 7 take effect July 1 following  
30 enactment; sections 4 and 5 take effect January 1 following  
31 enactment. However, the state department of transportation is  
32 required to adopt rules to allow implementation of sections 4  
33 and 5 prior to the January 1 effective date.

34 This bill creates and internally cites new section 321.52A.

35

SIMILAR TO SSB 2208

LSB 7721SV 72

SENATE FILE 2285

S-5292

1 Amend Senate File 2285 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting the following:

4 "Section 1. Section 307.37, Code 1987, is amended  
5 to read as follows:

6 307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW  
7 ENFORCEMENT.

8 The department shall investigate and prosecute  
9 violators of the laws concerning motor vehicle fraud  
10 including, but not limited to, the state and federal  
11 odometer law. The department shall refer available  
12 evidence concerning a possible violation of the laws  
13 concerning motor vehicle fraud including, but not  
14 limited to, section 321.71 or the federal odometer law  
15 or a rule or order issued under section 321.71 or the  
16 federal odometer law, to the attorney general. The  
17 attorney general, with or without the referral, may  
18 institute appropriate criminal proceedings or may  
19 direct the case to the appropriate county attorney to  
20 institute appropriate criminal proceedings. The  
21 attorney general may use those funds available to the  
22 department for this purpose and law enforcement  
23 agencies may be reimbursed for expenses incurred in  
24 the enforcement of ~~the state and federal odometer~~  
25 those laws, rules, or orders with the approval of the  
26 attorney general and concurrence by the department.

27 Sec. 2. Section 312.2, subsection 15, Code  
28 Supplement 1987, is amended to read as follows:

29 15. The treasurer of state, before making the  
30 allotments provided for in this section, shall credit  
31 annually to the state department of transportation  
32 from the road use tax fund an amount equal to twenty-  
33 five cents on each title issuance for motor vehicle  
34 fraud law enforcement purposes including, but not  
35 limited to, the enforcement of state and federal  
36 odometer law-enforcement-purposes laws. ~~This~~  
37 ~~subsection is effective for the fiscal period~~  
38 ~~beginning July 17, 1984 and ending June 30, 1989.~~

39 Sec. 3. Section 321.24, unnumbered paragraph 3,  
40 Code Supplement 1987, is amended to read as follows:

41 The certificate of title shall contain upon its  
42 face the identical information required upon the face  
43 of the registration receipt. In addition, the  
44 certificate of title shall contain a statement of the  
45 owner's title, the amount of tax paid pursuant to  
46 section 423.7, the name and address of the previous  
47 owner, and a statement of all security interests and  
48 encumbrances as shown in the application, upon the  
49 vehicle described, including the nature of the  
50 security interest, date of notation, and name and

1 address of the secured party. If the prior  
2 certificate of title was a salvage, rebuilt, or  
3 junking certificate of title in any other state, or if  
4 the prior certificate of title in any other state  
5 indicates that the vehicle was salvaged, rebuilt, or  
6 junked, the new certificate of title shall contain the  
7 same information and a salvage, rebuilt, or junking  
8 designation shall be retained on all subsequent Iowa  
9 title certificates for the vehicle. The department  
10 shall adopt rules to determine how other states'  
11 salvage, rebuilt, or junking designations are to be  
12 indicated on Iowa titles. The certificate shall bear  
13 the seal of the county treasurer or of the department,  
14 and the signature of the county treasurer, the deputy  
15 county treasurer, or the department director or deputy  
16 designee. The certificate shall provide space for the  
17 signature of the owner. The owner shall sign the  
18 certificate of title in the space provided with pen  
19 and ink upon its receipt. The certificate of title  
20 shall contain upon the reverse side a form for  
21 assignment of title or interest and warranty by the  
22 owner, for reassignments by a licensed dealer, and for  
23 application for a new certificate of title by the  
24 transferee as provided in this chapter. However,  
25 titles for mobile homes shall not be reassigned by  
26 licensed dealers. All certificates of title shall be  
27 typewritten or printed by other mechanical means.

28 Sec. 4. Section 321.52, subsection 4, unnumbered  
29 paragraph 1, Code 1987, is amended to read as follows:

30 a. A vehicle rebuilder or a motor vehicle dealer  
31 licensed under chapter 322, upon acquisition of a  
32 wrecked or salvage vehicle, shall surrender the  
33 certificate of title and registration receipt or  
34 manufacturer's or importer's statement of origin  
35 properly assigned, together with an application for a  
36 salvage certificate of title to the county treasurer  
37 of the county of residence of the purchaser or  
38 transferee within fourteen days after the date of  
39 assignment of the certificate of title for the wrecked  
40 or salvage motor vehicle. This subsection applies  
41 only to vehicles with a fair market value of five  
42 hundred dollars or more, based on the value before the  
43 vehicle became wrecked or salvage. Upon payment of a  
44 fee of two dollars, the county treasurer shall issue a  
45 salvage certificate of title which shall bear the word  
46 "SALVAGE" stamped or printed on the face of the title  
47 ~~in-bold-letters-and-coded~~ in a manner prescribed by  
48 the department. A salvage certificate of title may be  
49 assigned to any person. ~~Notwithstanding-any-other~~  
50 ~~provisions-in-this-section-a~~ A vehicle on which

1 ownership has transferred to an insurer of the  
2 vehicle, as a result of a settlement with the owner of  
3 the vehicle arising out of damage to, or unrecovered  
4 theft of the vehicle, shall be deemed to be a wrecked  
5 or salvage vehicle and the insurer shall comply with  
6 this subsection to obtain a salvage certificate of  
7 title within fourteen days after the date of  
8 assignment of the certificate of title of the vehicle.

9 Sec. 5. Section 321.52, subsection 4, unnumbered  
10 paragraph 2, Code 1987, is amended by striking the  
11 unnumbered paragraph and inserting in lieu thereof the  
12 following lettered paragraphs, and lettering the  
13 existing paragraphs of the subsection:

14 b. When a wrecked or salvaged vehicle has been  
15 repaired, the owner may apply for a regular  
16 certificate of title by paying the appropriate fees  
17 and surrendering the salvage certificate of title and  
18 a properly executed salvage theft examination  
19 certificate. The county treasurer shall issue a  
20 regular certificate of title which, if the wrecked or  
21 salvaged vehicle is five model years old or less,  
22 shall bear the word "REBUILT" stamped or printed on  
23 the face of the title. The rebuilt designation shall  
24 be included on every Iowa certificate of title issued  
25 thereafter for the vehicle. However, if ownership of  
26 a stolen vehicle has been transferred to an insurer  
27 organized under the laws of this state or admitted to  
28 do business in this state, or if the transfer was the  
29 result of a settlement with the owner of the vehicle  
30 arising from damage to or the unrecovered theft of the  
31 vehicle, and if the insurer certifies to the county  
32 treasurer on a form approved by the department that  
33 the cost of repairs to all damage to the vehicle is  
34 less than three thousand dollars, the county treasurer  
35 shall issue the regular certificate of title without  
36 the rebuilt designation.

37 c. A salvage theft examination shall be made by a  
38 peace officer who has been specially certified and  
39 recertified when required by the Iowa law enforcement  
40 academy to do salvage theft examinations. The Iowa  
41 law enforcement academy shall determine standards for  
42 training and certification, conduct training, and may  
43 approve alternative training programs which satisfy  
44 the academy's standards for training and  
45 certification. The owner of the salvage vehicle shall  
46 make the vehicle available for examination at a time  
47 and location designated by the peace officer doing the  
48 examination. The owner may obtain a permit to drive  
49 the vehicle to and from the examination location by  
50 submitting a repair affidavit to the agency performing

1 the examination stating that the vehicle is reasonably  
2 safe for operation and listing the repairs which have  
3 been made to the vehicle. The owner must be present  
4 for the examination and have available for inspection  
5 the salvage title, bills of sale for all essential  
6 parts changed, and the repair affidavit. The  
7 examination shall be for the purposes of determining  
8 whether the vehicle or repair components have been  
9 stolen. The examination is not a safety inspection  
10 and a signed salvage theft examination certificate  
11 shall not be construed by any court of law to be a  
12 certification that the vehicle is safe to be operated.  
13 There shall be no cause of action against the peace  
14 officer or the agency conducting the examination or  
15 the county treasurer for failure to discover or note  
16 safety defects. If the vehicle passes the theft  
17 examination, the peace officer shall indicate that the  
18 vehicle passed examination on the salvage theft  
19 examination certificate and, with regard to a vehicle  
20 which is required to bear the word "REBUILT" stamped  
21 or printed on the face of the title, shall permanently  
22 identify the vehicle as "rebuilt" on the driver's door  
23 jamb or other area on the vehicle as designated by the  
24 department. A removal or alteration of this rebuilt  
25 identification is a violation of section 321.92. The  
26 repair affidavit, permit, and salvage theft  
27 examination certificate shall be on controlled forms  
28 prescribed and furnished by the department. The owner  
29 shall pay a fee of fifty dollars upon completion of  
30 the examination. The agency performing the  
31 examinations shall retain forty dollars of the fee and  
32 shall pay five dollars of the fee to the department  
33 and five dollars of the fee to the Iowa law  
34 enforcement academy to provide for the special  
35 training, certification, and recertification of  
36 officers as required by this subsection.

37 The provision of this subsection requiring a  
38 salvage theft examination by a peace officer specially  
39 certified or recertified by the Iowa law enforcement  
40 academy to do salvage theft examinations shall become  
41 effective July 1, 1989. Salvage theft examinations  
42 conducted before July 1, 1989, shall be made by peace  
43 officers authorized to do so by the state department  
44 of transportation or the department of public safety  
45 who are qualified, as determined by those agencies, to  
46 conduct salvage theft examinations. The state  
47 department of transportation shall adopt rules in  
48 accordance with chapter 17A to carry out this section,  
49 including transition rules allowing for salvage theft  
50 examinations prior to July 1, 1989.

1 Sec. 6. Section 321.52, subsection 4, unnumbered  
2 paragraph 3, Code 1987, is amended to read as follows:

3 d. For purposes of this subsection a "wrecked or  
4 salvage vehicle" means a damaged vehicle subject to  
5 registration and having a gross vehicle weight rating  
6 of less than thirty thousand pounds, for which the  
7 cost of repair exceeds fifty percent of the fair  
8 market value of the vehicle, as determined in  
9 accordance with rules adopted by the department,  
10 before it became damaged.

11 Sec. 7. Section 321.92, Code 1987, is amended to  
12 read as follows:

13 321.92 ALTERING OR CHANGING NUMBERS.

14 1. FRAUDULENT INTENT. No person shall with  
15 fraudulent intent, deface, destroy, or alter the  
16 vehicle identification number or component part number  
17 or other distinguishing number or identification mark  
18 of a vehicle or component part, including a rebuilt  
19 identification, nor shall any a person place or stamp  
20 any a serial, engine, or other number or mark upon a  
21 vehicle or component part, except one assigned thereto  
22 by the department. Any A violation of this provision  
23 is a felony punishable as provided in section 321.483.

24 This subsection ~~shall~~ does not prohibit the  
25 restoration of an original vehicle identification  
26 number, component part number, or other number or mark  
27 when such the restoration is made by the department,  
28 nor prevent any a manufacturer from placing, in the  
29 ordinary course of business, numbers or marks upon  
30 vehicles or component parts.

31 2. VEHICLES WITHOUT IDENTIFICATION NUMBERS. Any A  
32 person who knowingly buys, receives, disposes of,  
33 sells, offers for sale, or has in the person's  
34 possession any a vehicle, or any a component part of a  
35 vehicle, from which the vehicle identification number,  
36 rebuilt identification, or component part number has  
37 been removed, defaced, covered, altered, or destroyed  
38 for the purpose of concealing or misrepresenting the  
39 identity of the vehicle or component part is guilty of  
40 a simple misdemeanor."

S-5292  
Filed March 9, 1988

BY JOE WELSH

*Adopted 3/10 (p. 722)  
Motion to reconsider (p. 724)  
" provided 3/22  
Placed on 3/22 (p. 250)*

SENATE FILE 2285

S-5297

1 Amend Senate File 2285 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting the following:

4 "Section 1. Section 321.23, subsection 1, Code  
5 1987, is amended to read as follows:

6 1. If the vehicle to be registered is a specially  
7 constructed, reconstructed, remanufactured or foreign  
8 vehicle, such fact shall be stated in the application.  
9 A fee of ten dollars shall be paid by the person  
10 making the application upon issuance of a certificate  
11 of title by the county treasurer. If the vehicle is a  
12 foreign vehicle which has been registered outside of  
13 this state, the county treasurer shall indicate on the  
14 certificate of title the name of the state or country  
15 in which the vehicle was last registered prior to  
16 being registered in this state and the county  
17 treasurer shall continue to indicate the name of such  
18 state or country on all subsequent certificates of  
19 title issued for the vehicle. With reference to every  
20 specially constructed or reconstructed motor vehicle  
21 subject to registration the application shall be  
22 accompanied by a statement from the department  
23 authorizing the motor vehicle to be titled and  
24 registered in this state. The department shall cause  
25 a physical inspection to be made of all specially  
26 constructed or reconstructed motor vehicles, upon  
27 application for a certificate of title by the owner,  
28 to determine whether the motor vehicle is in a safe  
29 operating condition and that the integral component  
30 parts are properly identified and that the rightful  
31 ownership is established before issuing the owner the  
32 authority to have the motor vehicle registered and  
33 titled. With reference to every foreign vehicle which  
34 has been registered outside of this state the owner  
35 shall surrender to the treasurer all registration  
36 plates, registration cards, and certificates of title,  
37 or, if the vehicle to be registered is from a nontitle  
38 state, the evidence of foreign registration and  
39 ownership as may be prescribed by the department  
40 except as provided in subsection 2.

41 Sec. 2. Section 321.24, unnumbered paragraph 3,  
42 Code Supplement 1987, is amended to read as follows:

43 The certificate of title shall contain upon its  
44 face the identical information required upon the face  
45 of the registration receipt. In addition, the  
46 certificate of title shall contain a statement of the  
47 owner's title, the amount of tax paid pursuant to  
48 section 423.7, the name and address of the previous  
49 owner, and a statement of all security interests and  
50 encumbrances as shown in the application, upon the

1 vehicle described including the nature of the security  
2 interest, date of notation, and name and address of  
3 the secured party. If the vehicle has been previously  
4 registered outside of this state, the certificate of  
5 title shall contain the name of the last such state or  
6 country in which the vehicle was registered. The  
7 certificate shall bear the seal of the county  
8 treasurer or of the department, and the signature of  
9 the county treasurer, the deputy county treasurer, or  
10 the department director or deputy designee. The  
11 certificate shall provide space for the signature of  
12 the owner. The owner shall sign the certificate of  
13 title in the space provided with pen and ink upon its  
14 receipt. The certificate of title shall contain upon  
15 the reverse side a form for assignment of title or  
16 interest and warranty by the owner, for reassignments  
17 by a licensed dealer, and for application for a new  
18 certificate of title by the transferee as provided in  
19 this chapter. However, titles for mobile homes shall  
20 not be reassigned by licensed dealers. All  
21 certificates of title shall be typewritten or printed  
22 by other mechanical means.

23 Sec. 3. Section 307.37, Code 1987, is amended to  
24 read as follows:

25 307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW  
26 ENFORCEMENT.

27 The department shall investigate and prosecute  
28 violators of the laws concerning motor vehicle fraud  
29 including, but not limited to, the state and federal  
30 odometer law. The department shall refer available  
31 evidence concerning a possible violation of the laws  
32 concerning motor vehicle fraud including, but not  
33 limited to, section 321.71 or the federal odometer law  
34 or a rule or order issued under section 321.71 or the  
35 federal odometer law, to the attorney general. The  
36 attorney general, with or without the referral, may  
37 institute appropriate criminal proceedings or may  
38 direct the case to the appropriate county attorney to  
39 institute appropriate criminal proceedings. The  
40 attorney general may use those funds available to the  
41 department for this purpose and law enforcement  
42 agencies may be reimbursed for expenses incurred in  
43 the enforcement of ~~the state and federal odometer~~  
44 those laws, rules, or orders with the approval of the  
45 attorney general and concurrence by the department.

46 Sec. 4. Section 321.52, subsection 4, Code 1987,  
47 is amended to read as follows:

48 4. a. A vehicle rebuilder or a motor vehicle  
49 dealer licensed under chapter 322, upon acquisition of  
50 a wrecked or salvage vehicle, shall surrender the

1 certificate of title and registration receipt or  
2 manufacturer's or importer's statement of origin  
3 properly assigned, together with an application for a  
4 salvage certificate of title to the county treasurer  
5 of the county of residence of the purchaser or  
6 transferee within fourteen days after the date of  
7 assignment of the certificate of title for the wrecked  
8 or salvage motor vehicle. This subsection applies  
9 only to vehicles with a fair market value of five  
10 hundred dollars or more, based on the value before the  
11 vehicle became wrecked or salvage. Upon payment of a  
12 fee of two dollars, the county treasurer shall issue a  
13 salvage certificate of title which shall bear the word  
14 "SALVAGE" stamped on the face of the title in bold  
15 letters and coded in a manner prescribed by the  
16 department. A salvage certificate of title may be  
17 assigned to any person.

18 b. Notwithstanding any other provisions in this  
19 section a vehicle on which ownership has transferred  
20 to an insurer of the vehicle, as a result of a  
21 settlement with the owner of the vehicle arising out  
22 of damage to, or unrecovered theft of the vehicle,  
23 shall be deemed to be a wrecked or salvage vehicle and  
24 the insurer shall comply with this subsection to  
25 obtain a salvage certificate of title within fourteen  
26 days after the date of assignment of the certificate  
27 of title of the vehicle. The insurer shall not  
28 transfer title of the vehicle except to an authorized  
29 vehicle recycler licensed under chapter 321H, an  
30 authorized vehicle recycler licensed in another state,  
31 or the owner from whom the vehicle was transferred to  
32 the insured.

33 c. When a wrecked or salvage vehicle has been  
34 repaired or rebuilt, that person shall make  
35 application for a certificate of title to the county  
36 treasurer of the county of residence of the owner. He  
37 shall surrender the salvage certificate of title  
38 issued for the vehicle and a properly executed salvage  
39 theft examination certificate. A verification  
40 verification of the vehicle identification number of  
41 the vehicle and the salvage theft examination  
42 certificate, and a review of the vehicle's replaced or  
43 repaired component parts shall be made by a peace  
44 officer of the state department of transportation, the  
45 department of public safety, county sheriff or police  
46 department of cities with a population exceeding five  
47 thousand persons, or a person designated by the  
48 director of public safety or the director of  
49 transportation. The person making application for the  
50 certificate of title shall provide a photograph of the

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1 vehicle showing its damaged condition prior to its  
2 repair or rebuilding to aid in the review of the  
3 vehicle's replaced or repaired component parts. The  
4 applicant shall also provide a list of the component  
5 parts of the vehicle which were replaced or repaired  
6 and shall provide documentation of replaced parts  
7 showing where they were obtained and, if a replacement  
8 part is used, the applicant shall provide the vehicle  
9 identification number of the vehicle from which the  
10 replacement part originated. If an applicant fails to  
11 provide the photograph, list, or necessary  
12 documentation, the vehicle shall be deemed to be a  
13 rebuilt motor vehicle.

14 A salvage theft examination shall be made by a  
15 peace officer who has been specially trained,  
16 certified, and recertified when required, by the Iowa  
17 law enforcement academy to do salvage theft  
18 examinations. The owner of the salvage vehicle shall  
19 make the vehicle available for examination at a time  
20 and location designated by the peace officer doing the  
21 examination. The owner may obtain a permit to drive  
22 the vehicle to and from the examination location by  
23 submitting a repair affidavit to the agency performing  
24 the examination stating that the vehicle is reasonably  
25 safe for operation and listing the repairs which have  
26 been made to the vehicle. The owner must be present  
27 for the examination and have available for inspection  
28 the salvage title, bills of sale for all essential  
29 parts changed, and the repair affidavit. The  
30 examination shall be for the purposes of determining  
31 whether the vehicle or repair components have been  
32 stolen. The examination is not a safety inspection  
33 and a signed salvage theft examination certificate  
34 shall not be construed by any court of law to be a  
35 certification that the vehicle is safe to be operated.  
36 There shall be no cause of action against the peace  
37 officer or the agency conducting the examination or  
38 the county treasurer for failure to discover or note  
39 safety defects. The repair affidavit, permit, and  
40 salvage theft examination certificate shall be on  
41 controlled forms prescribed and furnished by the  
42 department. The owner shall pay a fee of fifty  
43 dollars upon completion of the examination. The  
44 agency performing the examinations shall retain forty  
45 dollars of the fee and shall pay five dollars of the  
46 fee to the department and five dollars of the fee to  
47 the Iowa law enforcement academy to provide for the  
48 special training, certification, and recertification  
49 of officers as required by this subsection.

50 PARAGRAPH DIVIDED. The verification, salvage theft

1 examination, and review of replaced and repaired  
2 component parts shall be made on forms provided by the  
3 department and signed by the peace officer or the  
4 appropriately designated person and the verification,  
5 salvage theft examination, and component parts review  
6 form shall be surrendered by the owner to the county  
7 treasurer at the time application is made for a  
8 certificate of title. Upon payment of the appropriate  
9 fees and surrender of the appropriate documents the  
10 county treasurer shall issue a certificate of title to  
11 the person making application. If the component parts  
12 review indicates that the motor vehicle is a rebuilt  
13 motor vehicle, the certificate of title and each  
14 subsequently issued certificate of title for the  
15 vehicle shall bear the word "REBUILT" stamped on the  
16 face of the title in bold letters.

17 For purposes of this lettered paragraph, "rebuilt  
18 motor vehicle" means a wrecked or salvage vehicle  
19 which has been repaired or rebuilt by means of  
20 repairing or replacing two or more of the vehicle's  
21 major component parts, and a "major component part"  
22 means the rear clip, cowl, frame, body, cab, front end  
23 assembly, or front clip, as those terms are defined by  
24 rules adopted by the department.

25 The component parts review provisions of this  
26 lettered paragraph do not apply to vehicles being  
27 registered under section 321.115 and the certificate  
28 of title issued to such vehicles shall not bear the  
29 word "REBUILT" stamped on the face of the title.

30 d. For purposes of this subsection a "wrecked or  
31 salvage vehicle" means a damaged vehicle for which the  
32 cost of repair exceeds fifty percent of the fair  
33 market value of the vehicle before it became damaged.

34 Sec. 5. Section 321H.3, unnumbered paragraph 1,  
35 Code 1987, is amended to read as follows:

36 Except for educational institutions, people  
37 licensed-as-new-or-used-vehicle-dealers-under-chapter  
38 322, people engaged in a hobby not for profit, people  
39 engaged in the business of purchasing bodies, parts of  
40 bodies, frames or component parts of vehicles only for  
41 sale as scrap metal or a person licensed under the  
42 provisions of this chapter as an authorized vehicle  
43 recycler, a person in this state shall not engage in  
44 the business of:

45 Sec. 6. The state department of transportation  
46 shall adopt rules which allow authorized vehicle  
47 recyclers, as defined in chapter 321H, to meet the  
48 definition of transporter, as defined in chapter 321,  
49 so that transporter plates may be issued for  
50 authorized vehicle recyclers.

SENATE 9  
MARCH 11, 1988

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1     Sec. 7. Sections 1, 2, 3, 5, and 6 of this Act  
2 take effect July 1 following its enactment. Section 4  
3 of this Act takes effect January 1 following this  
4 Act's enactment. However, the state department of  
5 transportation shall adopt rules as required for  
6 implementation of section 4 of this Act prior to  
7 January 1 following this Act's enactment."

S-5297

Filed March 10, 1988   OUT OF ORDER   BY JOHN JENSEN

*(p. 122)*

SENATE FILE 2285

5502

1 Amend Senate File 2285 as follows:

2 1. By striking everything after the enacting  
3 clause and inserting the following:

4 "Section 1. Section 307.37, Code 1987, is amended  
5 to read as follows:

6 307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW  
7 ENFORCEMENT.

8 The department shall investigate and prosecute  
9 violators of the laws concerning motor vehicle fraud  
10 including, but not limited to, the state and federal  
11 odometer law. The department shall refer available  
12 evidence concerning a possible violation of the laws  
13 concerning motor vehicle fraud including, but not  
14 limited to, section 321.71 or the federal odometer law  
15 or a rule or order issued under section 321.71 or the  
16 federal odometer law, to the attorney general. The  
17 attorney general, with or without the referral, may  
18 institute appropriate criminal proceedings or may  
19 direct the case to the appropriate county attorney to  
20 institute appropriate criminal proceedings. The  
21 attorney general may use those funds available to the  
22 department of justice for this purpose and law  
23 enforcement agencies may be reimbursed for expenses  
24 incurred in the enforcement of ~~the-state-and-federal~~  
25 ~~odometer those laws, rules, or orders~~ with the  
26 approval of the attorney general and ~~concurrence-by~~  
27 ~~the-department.~~

28 Sec. 2. Section 312.2, subsection 15, Code  
29 Supplement 1987, is amended to read as follows:

30 15. The treasurer of state, before making the  
31 allotments provided for in this section, shall credit  
32 annually to the state department of ~~transportation~~  
33 ~~justice~~ from the road use tax fund an amount equal to  
34 ~~twenty-five cents on each title issuance for motor~~  
35 ~~vehicle fraud law enforcement and prosecution purposes~~  
36 ~~including, but not limited to, the enforcement of~~  
37 ~~state and federal odometer law-enforcement-purposes~~  
38 ~~laws. This-subsection-is-effective-for-the-fiscal~~  
39 ~~period-beginning-July-1, 1984-and-ending-June-30,~~  
40 ~~1989-~~

41 Sec. 3. Section 321.24, unnumbered paragraph 3,  
42 Code Supplement 1987, is amended to read as follows:

43 The certificate of title shall contain upon its  
44 face the identical information required upon the face  
45 of the registration receipt. In addition, the  
46 certificate of title shall contain a statement of the  
47 owner's title, the amount of tax paid pursuant to  
48 section 423.7, the name and address of the previous  
49 owner, and a statement of all security interests and  
50 encumbrances as shown in the application, upon the

1 vehicle described, including the nature of the  
2 security interest, date of notation, and name and  
3 address of the secured party. If the prior  
4 certificate of title was a salvage, rebuilt, or  
5 junking certificate of title in any other state, or if  
6 the prior certificate of title in any other state  
7 indicates that the vehicle was salvaged, rebuilt, or  
8 junked, the new certificate of title shall contain the  
9 same information together with the name of the state  
10 issuing the prior salvage, rebuilt, or junking  
11 certificate of title and a salvage, rebuilt, or  
12 junking designation together with the name of the  
13 state issuing the prior salvage, rebuilt, or junking  
14 certificate of title shall be retained on all  
15 subsequent Iowa certificates of title for the vehicle,  
16 except as provided in section 321.52. In the event a  
17 vehicle which previously had a salvage certificate of  
18 title from another state is repaired and a regular  
19 certificate of title is to be issued for it pursuant  
20 to section 321.52 without the designation rebuilt, the  
21 regular certificate of title shall indicate the state  
22 which had issued the prior salvage certificate of  
23 title in the same location in which Iowa certificates  
24 of title show the designation salvage or rebuilt, in  
25 addition to the name and address of the previous  
26 owner, in lieu of the salvage designation. The name  
27 of the state which had issued the prior salvage  
28 certificate of title shall remain in that location on  
29 every Iowa certificate of title issued thereafter for  
30 the vehicle. The department shall adopt rules to  
31 determine how other states' designations are to be  
32 indicated on Iowa titles. The certificate shall bear  
33 the seal of the county treasurer or of the department,  
34 and the signature of the county treasurer, the deputy  
35 county treasurer, or the department director or deputy  
36 designee. The certificate shall provide space for the  
37 signature of the owner. The owner shall sign the  
38 certificate of title in the space provided with pen  
39 and ink upon its receipt. The certificate of title  
40 shall contain upon the reverse side a form for  
41 assignment of title or interest and warranty by the  
42 owner, for reassignments by a licensed dealer, and for  
43 application for a new certificate of title by the  
44 transferee as provided in this chapter. However,  
45 titles for mobile homes shall not be reassigned by  
46 licensed dealers. All certificates of title shall be  
47 typewritten or printed by other mechanical means.

48 Sec. 4. Section 321.52, subsection 4, unnumbered  
49 paragraph 1, Code 1987, is amended to read as follows:  
50 a. A vehicle rebuilder or a motor vehicle dealer

1 licensed under chapter 322, upon acquisition of a  
2 wrecked or salvage vehicle, shall surrender the  
3 certificate of title and registration receipt or  
4 manufacturer's or importer's statement of origin  
5 properly assigned, together with an application for a  
6 salvage certificate of title to the county treasurer  
7 of the county of residence of the purchaser or  
8 transferee within fourteen days after the date of  
9 assignment of the certificate of title for the wrecked  
10 or salvage motor vehicle. This subsection applies  
11 only to vehicles with a fair market value of five  
12 hundred dollars or more, based on the value before the  
13 vehicle became wrecked or salvage. Upon payment of a  
14 fee of two dollars, the county treasurer shall issue a  
15 salvage certificate of title which shall bear the word  
16 "SALVAGE" stamped or printed on the face of the title  
17 ~~in bold-letters-and-coded~~ in a manner prescribed by  
18 the department. A salvage certificate of title may be  
19 assigned to any person. ~~Notwithstanding-any-other~~  
20 ~~provisions-in-this-section-a~~ A vehicle on which  
21 ownership has transferred to an insurer of the  
22 vehicle, as a result of a settlement with the owner of  
23 the vehicle arising out of damage to, or unrecovered  
24 theft of the vehicle, shall be deemed to be a wrecked  
25 or salvage vehicle and the insurer shall comply with  
26 this subsection to obtain a salvage certificate of  
27 title within fourteen days after the date of  
28 assignment of the certificate of title of the vehicle.  
29 However, a vehicle that has major damage to four or  
30 more component parts as defined in paragraph "b" shall  
31 receive a junking certificate of title and shall not  
32 thereafter be granted a regular certificate of title.

33 Sec. 5. Section 321.52, subsection 4, unnumbered  
34 paragraph 2, Code 1987, is amended by striking the  
35 unnumbered paragraph and inserting in lieu thereof the  
36 following lettered paragraphs, and lettering the  
37 existing paragraphs of the subsection:

38 b. When a wrecked or salvaged vehicle has been  
39 repaired, the owner may apply for a regular  
40 certificate of title by paying the appropriate fees  
41 and surrendering the salvage certificate of title and  
42 a properly executed salvage theft examination  
43 certificate. The county treasurer shall issue a  
44 regular certificate of title which, commencing  
45 September 1, 1988, if the wrecked or salvaged vehicle  
46 is five model years old or less, shall bear the word  
47 "REBUILT" stamped or printed on the face of the title.  
48 The rebuilt designation shall be included on every  
49 Iowa certificate of title issued thereafter for the  
50 vehicle. However, if ownership of a stolen vehicle

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1 has been transferred to an insurer organized under the  
2 laws of this state or admitted to do business in this  
3 state, or if the transfer was the result of a  
4 settlement with the owner of the vehicle arising from  
5 damage to or the unrecovered theft of the vehicle, and  
6 if the insurer certifies to the county treasurer on a  
7 form approved by the department that the cost of  
8 repairs to all damage to the vehicle is less than  
9 three thousand dollars, the county treasurer shall  
10 issue the regular certificate of title without the  
11 rebuilt designation. The county treasurer shall issue  
12 a regular certificate of title without the "REBUILT"  
13 designation if, before repairs are made, a component  
14 parts review has been conducted by a peace officer  
15 authorized to do so by the state department of  
16 transportation showing that the vehicle does not have  
17 component part damage. The component parts review  
18 shall be conducted in accordance with rules adopted by  
19 the department. For the purpose of this section, a  
20 wrecked or salvaged vehicle shall be considered to  
21 have component part damage if there is major damage  
22 requiring repairs or replacement of more than two of  
23 the vehicle's component parts. A "component part"  
24 means the rear clip, cowl, frame, or inner structure  
25 forward of the cowl, body, cab, front end assembly,  
26 front clip, or such other parts which are critical to  
27 the safety of the vehicle as determined by rules  
28 adopted by the department. The owner shall pay a fee  
29 of thirty-five dollars upon the completion of the  
30 prerepair component parts review. The peace officer  
31 conducting the review shall maintain a record of the  
32 review and shall forward a copy of the review to the  
33 department. The department shall maintain a record of  
34 all reviews. If a vehicle does not have component  
35 damage as determined in this subsection, the officer  
36 conducting the review shall issue a certificate to the  
37 owner to that effect. The certificate shall be  
38 surrendered to the county treasurer at the time of  
39 application for a regular certificate of title and the  
40 treasurer shall forward the certificate to the  
41 department.

42 c. A salvage theft examination shall be made by a  
43 peace officer who has been specially certified and  
44 recertified when required by the Iowa law enforcement  
45 academy to do salvage theft examinations. The Iowa  
46 law enforcement academy shall determine standards for  
47 training and certification, conduct training, and may  
48 approve alternative training programs which satisfy  
49 the academy's standards for training and  
50 certification. The owner of the salvage vehicle shall

1 make the vehicle available for examination at a time  
2 and location designated by the peace officer doing the  
3 examination. The owner may obtain a permit to drive  
4 the vehicle to and from the examination location by  
5 submitting a repair affidavit to the agency performing  
6 the examination stating that the vehicle is reasonably  
7 safe for operation and listing the repairs which have  
8 been made to the vehicle. The owner must be present  
9 for the examination and have available for inspection  
10 the salvage title, bills of sale for all essential  
11 parts changed, and the repair affidavit. The  
12 examination shall be for the purposes of determining  
13 whether the vehicle or repair components have been  
14 stolen. The examination is not a safety inspection  
15 and a signed salvage theft examination certificate  
16 shall not be construed by any court of law to be a  
17 certification that the vehicle is safe to be operated.  
18 There shall be no cause of action against the peace  
19 officer or the agency conducting the examination or  
20 the county treasurer for failure to discover or note  
21 safety defects. If the vehicle passes the theft  
22 examination, the peace officer shall indicate that the  
23 vehicle passed examination on the salvage theft  
24 examination certificate and, with regard to a vehicle  
25 which is required to bear the word "REBUILT" stamped  
26 or printed on the face of the title, shall permanently  
27 identify the vehicle as "rebuilt" on the driver's door  
28 jamb or other area on the vehicle as designated by the  
29 department. A removal or alteration of this rebuilt  
30 identification is a violation of section 321.92. The  
31 repair affidavit, permit, and salvage theft  
32 examination certificate shall be on controlled forms  
33 prescribed and furnished by the department. The owner  
34 shall pay a fee of thirty dollars upon completion of  
35 the examination. The agency performing the  
36 examinations shall retain twenty dollars of the fee  
37 and shall pay five dollars of the fee to the  
38 department and five dollars of the fee to the Iowa law  
39 enforcement academy to provide for the special  
40 training, certification, and recertification of  
41 officers as required by this subsection.

42 The provision of this subsection requiring a  
43 salvage theft examination by a peace officer specially  
44 certified or recertified by the Iowa law enforcement  
45 academy to do salvage theft examinations shall become  
46 effective July 1, 1989. Salvage theft examinations  
47 conducted before July 1, 1989, shall be made by peace  
48 officers authorized to do so by the state department  
49 of transportation or the department of public safety  
50 who are qualified, as determined by those agencies, to

1 conduct salvage theft examinations. The state  
2 department of transportation shall adopt rules in  
3 accordance with chapter 17A to carry out this section,  
4 including transition rules allowing for salvage theft  
5 examinations prior to July 1, 1989.

6 Sec. 6. Section 321.52, subsection 4, unnumbered  
7 paragraph 3, Code 1987, is amended to read as follows:

8 d. For purposes of this subsection a "wrecked or  
9 salvage vehicle" means a damaged vehicle subject to  
10 registration and having a gross vehicle weight rating  
11 of less than thirty thousand pounds, for which the  
12 cost of repair exceeds fifty percent of the fair  
13 market value of the vehicle, as determined in  
14 accordance with rules adopted by the department,  
15 before it became damaged.

16 Sec. 7. Section 321.92, Code 1987, is amended to  
17 read as follows:

18 321.92 ALTERING OR CHANGING NUMBERS.

19 1. FRAUDULENT INTENT. No person shall with  
20 fraudulent intent, deface, destroy, or alter the  
21 vehicle identification number or component part number  
22 or other distinguishing number or identification mark  
23 of a vehicle or component part, including a rebuilt  
24 identification, nor shall any a person place or stamp  
25 any a serial, engine, or other number or mark upon a  
26 vehicle or component part, except one assigned thereto  
27 by the department. Any A violation of this provision  
28 is a felony punishable as provided in section 321.483.

29 This subsection ~~shall~~ does not prohibit the  
30 restoration of an original vehicle identification  
31 number, component part number, or other number or mark  
32 when such the restoration is made by the department,  
33 nor prevent any a manufacturer from placing, in the  
34 ordinary course of business, numbers or marks upon  
35 vehicles or component parts.

36 2. VEHICLES WITHOUT IDENTIFICATION NUMBERS. Any A  
37 person who knowingly buys, receives, disposes of,  
38 sells, offers for sale, or has in the person's  
39 possession any a vehicle, or any a component part of a  
40 vehicle, from which the vehicle identification number,  
41 rebuilt identification, or component part number has  
42 been removed, defaced, covered, altered, or destroyed  
43 for the purpose of concealing or misrepresenting the  
44 identity of the vehicle or component part is guilty of  
45 a simple misdemeanor.

46 Sec. 8. Section 321H.3, unnumbered paragraph 1,  
47 Code 1987, is amended to read as follows:

48 Except for educational institutions, people  
49 licensed as new or-used vehicle dealers under chapter  
50 322, people engaged in a hobby not for profit, people

S-5502 Page 7

engaged in the business of purchasing bodies, parts of  
2 bodies, frames or component parts of vehicles only for  
3 sale as scrap metal or a person licensed under the  
4 provisions of this chapter as an authorized vehicle  
5 recycler, a person in this state shall not engage in  
6 the business of:

7 Sec. 9. The state department of transportation  
8 shall adopt rules which allow authorized vehicle  
9 recyclers, as defined in chapter 321H, to meet the  
10 definition of transporter, as defined in chapter 321,  
11 so that transporter plates may be issued for  
12 authorized vehicle recyclers."

S-5502

Filed March 22, 1988

ADOPTED

BY JOE J. WELSH  
JOHN W. JENSEN  
KENNETH D. SCOTT  
EMIL J. HUSAK  
JIM LIND  
RICHARD VANDE HOEF  
DONALD E. GETTINGS  
C. JOSEPH COLEMAN  
WALLY E. HORN  
LEE HOLT  
BERL E. PRIEBE  
RICHARD F. DRAKE

*Adopted as amended 3/22 (p. 959)  
S-5502*

SENATE FILE 2285

S-5516

- 1 Amend amendment S-5502 to Senate File 2285 as
- 2 follows:
- 3 1. Page 4, line 24 by striking the word "frame,"
- 4 and inserting the following: "frame".

S-5516

Filed March 22, 1988

ADOPTED

BY JOHN W. JENSEN  
JOE J. WELSH

*Adopted by 95-03*

SENATE FILE **2285**  
BY COMMITTEE ON TRANSPORTATION

(AS AMENDED AND PASSED BY THE SENATE MARCH 21, 1988)

ALL New Language by the Senate

Passed Senate, Date 3/21/88 (p 960) Passed House, Date 3/20/88 (p 1125)  
Vote: Ayes 42 Nays 0 Vote: Ayes 94 Nays 0  
Approved April 15, 1988 (p 1655)

A BILL FOR

1 An Act relating to the enforcement of laws concerning motor  
2 vehicle fraud, salvage, and theft, certificates of title, and  
3 transfer of ownership of foreign, wrecked, and salvage  
4 vehicles and making penalties applicable and providing  
5 effective dates.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2285

1 Section 1. Section 307.37, Code 1987, is amended to read  
2 as follows:

3 307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW ENFORCEMENT.

4 The department shall investigate and prosecute violators of  
5 the laws concerning motor vehicle fraud including, but not  
6 limited to, the state and federal odometer law. The  
7 department shall refer available evidence concerning a  
8 possible violation of the laws concerning motor vehicle fraud  
9 including, but not limited to, section 321.71 or the federal  
10 odometer law or a rule or order issued under section 321.71 or  
11 the federal odometer law, to the attorney general. The  
12 attorney general, with or without the referral, may institute  
13 appropriate criminal proceedings or may direct the case to the  
14 appropriate county attorney to institute appropriate criminal  
15 proceedings. The attorney general may use those funds  
16 available to the department of justice for this purpose and  
17 law enforcement agencies may be reimbursed for expenses  
18 incurred in the enforcement of ~~the state and federal odometer~~  
19 those laws, rules, or orders with the approval of the attorney  
20 ~~general and concurrence by the department.~~

21 Sec. 2. Section 312.2, subsection 15, Code Supplement  
22 1987, is amended to read as follows:

23 15. The treasurer of state, before making the allotments  
24 provided for in this section, shall credit annually to the  
25 ~~state department of transportation~~ justice from the road use  
26 tax fund an amount equal to twenty-five cents on each title  
27 issuance for motor vehicle fraud law enforcement and  
28 prosecution purposes including, but not limited to, the  
29 enforcement of state and federal odometer ~~law enforcement~~  
30 ~~purposes~~ laws. ~~This subsection is effective for the fiscal~~  
31 ~~period beginning July 1, 1984 and ending June 30, 1989.~~

32 Sec. 3. Section 321.24, unnumbered paragraph 3, Code  
33 Supplement 1987, is amended to read as follows:

34 The certificate of title shall contain upon its face the  
35 identical information required upon the face of the

1 registration receipt. In addition, the certificate of title  
2 shall contain a statement of the owner's title, the amount of  
3 tax paid pursuant to section 423.7, the name and address of  
4 the previous owner, and a statement of all security interests  
5 and encumbrances as shown in the application, upon the vehicle  
6 described, including the nature of the security interest, date  
7 of notation, and name and address of the secured party. If  
8 the prior certificate of title was a salvage, rebuilt, or  
9 junking certificate of title in any other state, or if the  
10 prior certificate of title in any other state indicates that  
11 the vehicle was salvaged, rebuilt, or junked, the new  
12 certificate of title shall contain the same information  
13 together with the name of the state issuing the prior salvage,  
14 rebuilt, or junking certificate of title and a salvage,  
15 rebuilt, or junking designation together with the name of the  
16 state issuing the prior salvage, rebuilt, or junking  
17 certificate of title shall be retained on all subsequent Iowa  
18 certificates of title for the vehicle, except as provided in  
19 section 321.52. In the event a vehicle which previously had a  
20 salvage certificate of title from another state is repaired  
21 and a regular certificate of title is to be issued for it  
22 pursuant to section 321.52 without the designation rebuilt,  
23 the regular certificate of title shall indicate the state  
24 which had issued the prior salvage certificate of title in the  
25 same location in which Iowa certificates of title show the  
26 designation salvage or rebuilt, in addition to the name and  
27 address of the previous owner, in lieu of the salvage  
28 designation. The name of the state which had issued the prior  
29 salvage certificate of title shall remain in that location on  
30 every Iowa certificate of title issued thereafter for the  
31 vehicle. The department shall adopt rules to determine how  
32 other states' designations are to be indicated on Iowa titles.  
33 The certificate shall bear the seal of the county treasurer or  
34 of the department, and the signature of the county treasurer,  
35 the deputy county treasurer, or the department director or

1 deputy designee. The certificate shall provide space for the  
2 signature of the owner. The owner shall sign the certificate  
3 of title in the space provided with pen and ink upon its  
4 receipt. The certificate of title shall contain upon the  
5 reverse side a form for assignment of title or interest and  
6 warranty by the owner, for reassignments by a licensed dealer,  
7 and for application for a new certificate of title by the  
8 transferee as provided in this chapter. However, titles for  
9 mobile homes shall not be reassigned by licensed dealers. All  
10 certificates of title shall be typewritten or printed by other  
11 mechanical means.

12 Sec. 4. Section 321.52, subsection 4, unnumbered paragraph  
13 1, Code 1987, is amended to read as follows:

14 a. A vehicle rebuilder or a motor vehicle dealer licensed  
15 under chapter 322, upon acquisition of a wrecked or salvage  
16 vehicle, shall surrender the certificate of title and  
17 registration receipt or manufacturer's or importer's statement  
18 of origin properly assigned, together with an application for  
19 a salvage certificate of title to the county treasurer of the  
20 county of residence of the purchaser or transferee within  
21 fourteen days after the date of assignment of the certificate  
22 of title for the wrecked or salvage motor vehicle. This  
23 subsection applies only to vehicles with a fair market value  
24 of five hundred dollars or more, based on the value before the  
25 vehicle became wrecked or salvage. Upon payment of a fee of  
26 two dollars, the county treasurer shall issue a salvage  
27 certificate of title which shall bear the word "SALVAGE"  
28 stamped or printed on the face of the title ~~in-bold-letters~~  
29 ~~and-coded~~ in a manner prescribed by the department. A salvage  
30 certificate of title may be assigned to any person.  
31 ~~Notwithstanding-any-other-provisions-in-this-section-a~~ A  
32 vehicle on which ownership has transferred to an insurer of  
33 the vehicle, as a result of a settlement with the owner of the  
34 vehicle arising out of damage to, or unrecovered theft of the  
35 vehicle, shall be deemed to be a wrecked or salvage vehicle

1 and the insurer shall comply with this subsection to obtain a  
2 salvage certificate of title within fourteen days after the  
3 date of assignment of the certificate of title of the vehicle.  
4 However, a vehicle that has major damage to four or more  
5 component parts as defined in paragraph "b" shall receive a  
6 junking certificate of title and shall not thereafter be  
7 granted a regular certificate of title.

8 Sec. 5. Section 321.52, subsection 4, unnumbered paragraph  
9 2, Code 1987, is amended by striking the unnumbered paragraph  
10 and inserting in lieu thereof the following lettered  
11 paragraphs, and lettering the existing paragraphs of the  
12 subsection:

13 b. When a wrecked or salvaged vehicle has been repaired,  
14 the owner may apply for a regular certificate of title by  
15 paying the appropriate fees and surrendering the salvage  
16 certificate of title and a properly executed salvage theft  
17 examination certificate. The county treasurer shall issue a  
18 regular certificate of title which, commencing September 1,  
19 1988, if the wrecked or salvaged vehicle is five model years  
20 old or less, shall bear the word "REBUILT" stamped or printed  
21 on the face of the title. The rebuilt designation shall be  
22 included on every Iowa certificate of title issued thereafter  
23 for the vehicle. However, if ownership of a stolen vehicle  
24 has been transferred to an insurer organized under the laws of  
25 this state or admitted to do business in this state, or if the  
26 transfer was the result of a settlement with the owner of the  
27 vehicle arising from damage to or the unrecovered theft of the  
28 vehicle, and if the insurer certifies to the county treasurer  
29 on a form approved by the department that the cost of repairs  
30 to all damage to the vehicle is less than three thousand  
31 dollars, the county treasurer shall issue the regular  
32 certificate of title without the rebuilt designation. The  
33 county treasurer shall issue a regular certificate of title  
34 without the "REBUILT" designation if, before repairs are made,  
35 a component parts review has been conducted by a peace officer

1 authorized to do so by the state department of transportation  
2 showing that the vehicle does not have component part damage.  
3 The component parts review shall be conducted in accordance  
4 with rules adopted by the department. For the purpose of this  
5 section, a wrecked or salvaged vehicle shall be considered to  
6 have component part damage if there is major damage requiring  
7 repairs or replacement of more than two of the vehicle's  
8 component parts. A "component part" means the rear clip,  
9 cowl, frame or inner structure forward of the cowl, body, cab,  
10 front end assembly, front clip, or such other parts which are  
11 critical to the safety of the vehicle as determined by rules  
12 adopted by the department. The owner shall pay a fee of  
13 thirty-five dollars upon the completion of the prerepair  
14 component parts review. The peace officer conducting the  
15 review shall maintain a record of the review and shall forward  
16 a copy of the review to the department. The department shall  
17 maintain a record of all reviews. If a vehicle does not have  
18 component damage as determined in this subsection, the officer  
19 conducting the review shall issue a certificate to the owner  
20 to that effect. The certificate shall be surrendered to the  
21 county treasurer at the time of application for a regular  
22 certificate of title and the treasurer shall forward the  
23 certificate to the department.

24 c. A salvage theft examination shall be made by a peace  
25 officer who has been specially certified and recertified when  
26 required by the Iowa law enforcement academy to do salvage  
27 theft examinations. The Iowa law enforcement academy shall  
28 determine standards for training and certification, conduct  
29 training, and may approve alternative training programs which  
30 satisfy the academy's standards for training and  
31 certification. The owner of the salvage vehicle shall make  
32 the vehicle available for examination at a time and location  
33 designated by the peace officer doing the examination. The  
34 owner may obtain a permit to drive the vehicle to and from the  
35 examination location by submitting a repair affidavit to the

1 agency performing the examination stating that the vehicle is  
2 reasonably safe for operation and listing the repairs which  
3 have been made to the vehicle. The owner must be present for  
4 the examination and have available for inspection the salvage  
5 title, bills of sale for all essential parts changed, and the  
6 repair affidavit. The examination shall be for the purposes  
7 of determining whether the vehicle or repair components have  
8 been stolen. The examination is not a safety inspection and a  
9 signed salvage theft examination certificate shall not be  
10 construed by any court of law to be a certification that the  
11 vehicle is safe to be operated. There shall be no cause of  
12 action against the peace officer or the agency conducting the  
13 examination or the county treasurer for failure to discover or  
14 note safety defects. If the vehicle passes the theft  
15 examination, the peace officer shall indicate that the vehicle  
16 passed examination on the salvage theft examination  
17 certificate and, with regard to a vehicle which is required to  
18 bear the word "REBUILT" stamped or printed on the face of the  
19 title, shall permanently identify the vehicle as "rebuilt" on  
20 the driver's door jamb or other area on the vehicle as  
21 designated by the department. A removal or alteration of this  
22 rebuilt identification is a violation of section 321.92. The  
23 repair affidavit, permit, and salvage theft examination  
24 certificate shall be on controlled forms prescribed and  
25 furnished by the department. The owner shall pay a fee of  
26 thirty dollars upon completion of the examination. The agency  
27 performing the examinations shall retain twenty dollars of the  
28 fee and shall pay five dollars of the fee to the department  
29 and five dollars of the fee to the Iowa law enforcement  
30 academy to provide for the special training, certification,  
31 and recertification of officers as required by this  
32 subsection.

33 The provision of this subsection requiring a salvage theft  
34 examination by a peace officer specially certified or  
35 recertified by the Iowa law enforcement academy to do salvage

1 theft examinations shall become effective July 1, 1989.  
2 Salvage theft examinations conducted before July 1, 1989,  
3 shall be made by peace officers authorized to do so by the  
4 state department of transportation or the department of public  
5 safety who are qualified, as determined by those agencies, to  
6 conduct salvage theft examinations. The state department of  
7 transportation shall adopt rules in accordance with chapter  
8 17A to carry out this section, including transition rules  
9 allowing for salvage theft examinations prior to July 1, 1989.

10 Sec. 6. Section 321.52, subsection 4, unnumbered paragraph  
11 3, Code 1987, is amended to read as follows:

12 d. For purposes of this subsection a "wrecked or salvage  
13 vehicle" means a damaged vehicle subject to registration and  
14 having a gross vehicle weight rating of less than thirty  
15 thousand pounds, for which the cost of repair exceeds fifty  
16 percent of the fair market value of the vehicle, as determined  
17 in accordance with rules adopted by the department, before it  
18 became damaged.

19 Sec. 7. Section 321.92, Code 1987, is amended to read as  
20 follows:

21 321.92 ALTERING OR CHANGING NUMBERS.

22 1. FRAUDULENT INTENT. No person shall with fraudulent  
23 intent, deface, destroy, or alter the vehicle identification  
24 number or component part number or other distinguishing number  
25 or identification mark of a vehicle or component part,  
26 including a rebuilt identification, nor shall any a person  
27 place or stamp any a serial, engine, or other number or mark  
28 upon a vehicle or component part, except one assigned thereto  
29 by the department. Any A violation of this provision is a  
30 felony punishable as provided in section 321.483.

31 This subsection ~~shall~~ does not prohibit the restoration of  
32 an original vehicle identification number, component part  
33 number, or other number or mark when such the restoration is  
34 made by the department, nor prevent any a manufacturer from  
35 placing, in the ordinary course of business, numbers or marks

1 upon vehicles or component parts.

2     2. VEHICLES WITHOUT IDENTIFICATION NUMBERS. Any A person  
3 who knowingly buys, receives, disposes of, sells, offers for  
4 sale, or has in the person's possession any a vehicle, or any  
5 a component part of a vehicle, from which the vehicle  
6 identification number, rebuilt identification, or component  
7 part number has been removed, defaced, covered, altered, or  
8 destroyed for the purpose of concealing or misrepresenting the  
9 identity of the vehicle or component part is guilty of a  
10 simple misdemeanor.

11     Sec. 8. Section 321H.3, unnumbered paragraph 1, Code 1987,  
12 is amended to read as follows:

13     Except for educational institutions, people licensed as new  
14 ~~or-used~~ vehicle dealers under chapter 322, people engaged in a  
15 hobby not for profit, people engaged in the business of  
16 purchasing bodies, parts of bodies, frames or component parts  
17 of vehicles only for sale as scrap metal or a person licensed  
18 under the provisions of this chapter as an authorized vehicle  
19 recycler, a person in this state shall not engage in the  
20 business of:

21     Sec. 9. The state department of transportation shall adopt  
22 rules which allow authorized vehicle recyclers, as defined in  
23 chapter 321H, to meet the definition of transporter, as  
24 defined in chapter 321, so that transporter plates may be  
25 issued for authorized vehicle recyclers.

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LSB

SSB 2208

SSB 2208  
~~TRANSPORTATION~~

*Jensen, Ch*  
*Scott*  
*Coleman*

TRANSPORTATION: Jensen, Chair; Scott and Doyle

*Now*

SENATE FILE 2285

BY (PROPOSED TITLES OF JUNKED,  
WRECKED, AND SALVAGED  
VEHICLES STUDY COMMITTEE  
BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to certificates of title and transfer of  
2 ownership of foreign, wrecked, and salvage vehicles and making  
3 penalties applicable and providing effective dates.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.23, subsection 1, Code 1987, is  
2 amended to read as follows:

3 1. If the vehicle to be registered is a specially  
4 constructed, reconstructed, remanufactured or foreign vehicle,  
5 such fact shall be stated in the application. A fee of ten  
6 dollars shall be paid by the person making the application  
7 upon issuance of a certificate of title by the county  
8 treasurer. If the vehicle is a foreign vehicle which has been  
9 registered outside of this state, the county treasurer shall  
10 indicate on the certificate of title the name of the state or  
11 country in which the vehicle was last registered prior to  
12 being registered in this state and the county treasurer shall  
13 continue to indicate the name of such state or country on all  
14 subsequent certificates of title issued for the vehicle. With  
15 reference to every specially constructed or reconstructed  
16 motor vehicle subject to registration the application shall be  
17 accompanied by a statement from the department authorizing the  
18 motor vehicle to be titled and registered in this state. The  
19 department shall cause a physical inspection to be made of all  
20 specially constructed or reconstructed motor vehicles, upon  
21 application for a certificate of title by the owner, to  
22 determine whether the motor vehicle is in a safe operating  
23 condition and that the integral component parts are properly  
24 identified and that the rightful ownership is established  
25 before issuing the owner the authority to have the motor  
26 vehicle registered and titled. With reference to every  
27 foreign vehicle which has been registered outside of this  
28 state the owner shall surrender to the treasurer all  
29 registration plates, registration cards, and certificates of  
30 title, or, if the vehicle to be registered is from a nontitle  
31 state, the evidence of foreign registration and ownership as  
32 may be prescribed by the department except as provided in  
33 subsection 2.

34 Sec. 2. Section 321.24, unnumbered paragraph 3, Code  
35 Supplement 1987, is amended to read as follows:

1 The certificate of title shall contain upon its face the  
2 identical information required upon the face of the  
3 registration receipt. In addition, the certificate of title  
4 shall contain a statement of the owner's title, the amount of  
5 tax paid pursuant to section 423.7, the name and address of  
6 the previous owner, and a statement of all security interests  
7 and encumbrances as shown in the application, upon the vehicle  
8 described including the nature of the security interest, date  
9 of notation, and name and address of the secured party. If  
10 the vehicle has been previously registered outside of this  
11 state, the certificate of title shall contain the name of the  
12 last such state or country in which the vehicle was  
13 registered. The certificate shall bear the seal of the county  
14 treasurer or of the department, and the signature of the  
15 county treasurer, the deputy county treasurer, or the  
16 department director or deputy designee. The certificate shall  
17 provide space for the signature of the owner. The owner shall  
18 sign the certificate of title in the space provided with pen  
19 and ink upon its receipt. The certificate of title shall  
20 contain upon the reverse side a form for assignment of title  
21 or interest and warranty by the owner, for reassignments by a  
22 licensed dealer, and for application for a new certificate of  
23 title by the transferee as provided in this chapter. However,  
24 titles for mobile homes shall not be reassigned by licensed  
25 dealers. All certificates of title shall be typewritten or  
26 printed by other mechanical means.

27 Sec. 3. Section 321.52, subsection 4, Code 1987, is  
28 amended to read as follows:

29 4. a. A vehicle rebuilder or a motor vehicle dealer  
30 licensed under chapter 322, upon acquisition of a wrecked or  
31 salvage vehicle, shall surrender the certificate of title and  
32 registration receipt or manufacturer's or importer's statement  
33 of origin properly assigned, together with an application for  
34 a salvage certificate of title to the county treasurer of the  
35 county of residence of the purchaser or transferee within

1 fourteen days after the date of assignment of the certificate  
2 of title for the wrecked or salvage motor vehicle. This  
3 subsection applies only to vehicles with a fair market value  
4 of five hundred dollars or more, based on the value before the  
5 vehicle became wrecked or salvage. Upon payment of a fee of  
6 two dollars, the county treasurer shall issue a salvage  
7 certificate of title which shall bear the word "SALVAGE"  
8 stamped on the face of the title in bold letters and coded in  
9 a manner prescribed by the department. A salvage certificate  
10 of title may be assigned to any person.

11 b. Notwithstanding any other provisions in this section a  
12 vehicle on which ownership has transferred to an insurer of  
13 the vehicle, as a result of a settlement with the owner of the  
14 vehicle arising out of damage to, or unrecovered theft of the  
15 vehicle, shall be deemed to be a wrecked or salvage vehicle  
16 and the insurer shall comply with this subsection to obtain a  
17 salvage certificate of title within fourteen days after the  
18 date of assignment of the certificate of title of the vehicle.  
19 The insurer shall not transfer title of the vehicle except to  
20 an authorized vehicle recycler licensed under chapter 321H, an  
21 authorized vehicle recycler licensed in another state, or the  
22 owner from whom the vehicle was transferred to the insured.

23 c. When a wrecked or salvage vehicle has been repaired or  
24 rebuilt, that person shall make application for a certificate  
25 of title to the county treasurer of the county of residence of  
26 the owner, and shall surrender the salvage certificate of  
27 title issued for the vehicle. A-verification Verification of  
28 the vehicle identification number of the vehicle and an  
29 assessment of the vehicle's replaced or repaired component  
30 parts total point value in accordance with section 321.52A  
31 shall be made by a peace officer of the state department of  
32 transportation, the department of public safety, county  
33 sheriff or police department of cities with a population  
34 exceeding five thousand persons, or a person designated by the  
35 director of public safety or the director of transportation.

1 The person making application for the certificate of title  
2 shall provide a photograph of the vehicle showing its damaged  
3 condition prior to its repair or rebuilding to aid in the  
4 assessment of the vehicle's replaced or repaired component  
5 parts total point value. The applicant shall also provide a  
6 list of the component parts of the vehicle which were replaced  
7 or repaired and shall provide documentation of replaced parts  
8 showing where they were obtained and, if a replacement part is  
9 used, the applicant shall provide the vehicle identification  
10 number of the vehicle from which the replacement part  
11 originated. If an applicant fails to provide the photograph,  
12 list, or necessary documentation, the vehicle shall be deemed  
13 to have a replaced or repaired component parts total point  
14 value of fifty points or more.

15 PARAGRAPH DIVIDED. The verification and assessment shall  
16 be made on forms provided by the department and signed by the  
17 peace officer or the appropriately designated person and the  
18 verification and assessment form shall be surrendered by the  
19 owner to the county treasurer at the time application is made  
20 for a certificate of title. Upon payment of the appropriate  
21 fees and surrender of the appropriate documents the county  
22 treasurer shall issue a certificate of title to the person  
23 making application. If the vehicle's replaced or repaired  
24 component parts total point value equals or exceeds fifty  
25 points, the certificate of title and each subsequently issued  
26 certificate of title for the vehicle shall bear the word  
27 "REBUILT" stamped on the face of the title in bold letters.

28 The assessment provisions of this lettered paragraph do not  
29 apply to vehicles being registered under section 321.115 and  
30 the certificate of title issued to such vehicles shall not  
31 bear the word "REBUILT" stamped on the face of the title.

32 d. For purposes of this subsection a "wrecked or salvage  
33 vehicle" means a damaged vehicle for which the cost of repair  
34 exceeds fifty percent of the fair market value of the vehicle  
35 before it became damaged.

1     Sec. 4. NEW SECTION. 321.52A POINT SYSTEM FOR  
 2 DETERMINING DESIGNATION OF REBUILT VEHICLES.

3     1. When a person makes application for a certificate of  
 4 title for a wrecked or salvage vehicle which has been repaired  
 5 or rebuilt, an assessment shall be made of the replaced or  
 6 repaired component parts total point value in accordance with  
 7 this section.

8     2. Except as point values are modified under subsection 5,  
 9 a frame type vehicle which is a motor truck registered for a  
 10 combined gross weight of three tons or less or an automobile  
 11 shall be assessed points for component parts which are  
 12 replaced or repaired as follows:

<u>Component Part</u>	<u>Point Value</u>
14 Windshield	1
15 Dash	2
16 Interior seats	2
17 Motor	4
18 Transmission	1
19 Rear end	1
20 Glass other than windshield	0
21 Front end assembly	25
22 Header	2
23 Grille	2
24 Front bumper	2
25 Fender assembly	5
26 Hood	5
27 Radiator support	2
28 Radiator	2
29 Air condenser	1
30 Cowl	15
31 Cowl side	10
32 Complete frame less suspension	10
33 Front 1/2 frame	7
34 Rear 1/2 frame	5
35 Side rail of frame	5

1	Repair frame	5
2	Front suspension parts	
3	Lower control	1
4	Upper control	1
5	Spindle	1
6	Center pillar door	5
7	Rocker panel	5
8	Rear clip with roof	25
9	Roof	2
10	Short rear clip	18
11	Quarter panel	12
12	Deck lid	2
13	Tail light per side	1
14	Rear bumper	2
15	Tail gate	2
16	Door (4-door vehicle)	10
17	Door (2-door vehicle)	15

18     3. Except as point values are modified under subsection 5,  
 19 a unit body vehicle which is a motor truck registered for a  
 20 combined gross weight of three tons or less or an automobile  
 21 shall be assessed points for component parts which are  
 22 replaced or repaired as follows:

23	<u>Component Part</u>	<u>Point Value</u>
24	Windshield	1
25	Dash	2
26	Interior seats	2
27	Motor	4
28	Transaxle	2
29	Glass other than windshield	0
30	Front end assembly (with cowl)	50
31	Front end assembly (cut forward	
32	of cowl behind spring tower)	30
33	Front end assembly (cut forward	
34	of spring tower behind	
35	radiator support)	25

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1	Front bumper	2
2	Header or front panel	2
3	Grille	2
4	Air condenser	1
5	Radiator	2
6	Radiator support	3
7	Hood	5
8	Fender	3
9	Upper fender support	2
10	Lower frame side rail	4
11	Front crossmember	2
12	McPherson strut	1
13	Upper control	1
14	Lower control	1
15	Spindle	1
16	Cowl	20
17	Cowl side	1
18	1/2 Cowl	15
19	Door (2-door vehicle)	10
20	Door (4-door vehicle)	10
21	Center pillar post door	5
22	Rocker panel	5
23	Center body pan	5
24	Engine cradle	3
25	Rear clip complete (includes	
26	roof, deck lid, tail lights,	
27	rear bumper)	25
28	Short rear clip	20
29	Quarter panel	12
30	Rear trunk pan	3
31	Deck lid	2
32	Tail lights per side	1
33	Rear bumper	1
34	Roof	2
35	4. The department shall adopt rules designating component	

1 part point values for vehicles not included in subsections 2  
2 and 3.

3 5. The department may adopt rules modifying the component  
4 part point values for vehicles under subsections 2 and 3. The  
5 department shall adopt the rules so that the point system  
6 accurately reflects the value of the structural components of  
7 the vehicle.

8 Sec. 5. Section 321H.3, unnumbered paragraph 1, Code 1987,  
9 is amended to read as follows:

10 Except for educational institutions, ~~people-licensed-as-new~~  
11 ~~or-used-vehicle-dealers-under-chapter-322~~, people engaged in a  
12 hobby not for profit, people engaged in the business of  
13 purchasing bodies, parts of bodies, frames or component parts  
14 of vehicles only for sale as scrap metal or a person licensed  
15 under the provisions of this chapter as an authorized vehicle  
16 recycler, a person in this state shall not engage in the  
17 business of:

18 Sec. 6. The state department of transportation shall adopt  
19 rules which allow authorized vehicle recyclers, as defined in  
20 chapter 321H, to meet the definition of transporter, as  
21 defined in chapter 321, so that transporter plates may be  
22 issued for authorized vehicle recyclers.

23 Sec. 7. Sections 1, 2, 5, and 6 of this Act take effect  
24 July 1 following its enactment. Sections 3 and 4 of this Act  
25 take effect January 1 following its enactment. However, the  
26 state department of transportation shall adopt rules as  
27 required for implementation of sections 3 and 4 of this Act  
28 prior to January 1 following this Act's enactment.

29 EXPLANATION

30 Sections 1 and 2 of this bill require certificates of  
31 titles issued to foreign vehicles which have been registered  
32 outside of this state to indicate the name of the state or  
33 country in which the vehicle was last registered prior to  
34 being registered in this state.

35 Section 3 limits insurance companies, which obtain a

1 vehicle as the result of a settlement with the owner of the  
2 vehicle arising out of damage to or unrecovered theft of the  
3 vehicle, to being able to transfer the title of the vehicle to  
4 only licensed vehicle recyclers or the owner from whom they  
5 obtained the title of the vehicle.

6 Sections 3 and 4 require applicants for a certificate of  
7 title for a repaired or rebuilt wrecked or salvage vehicle to  
8 have an assessment of the replaced or repaired component parts  
9 according to a point value system. Vehicles which are  
10 assessed fifty or more points shall have certificates of title  
11 issued with the word "REBUILT" in bold letters on the face of  
12 the certificates. Sections 3 and 4 do not apply to any  
13 vehicle with a fair market value of less than five hundred  
14 dollars based on the value of the vehicle before it became  
15 wrecked or salvage. Sections 3 and 4 also do not apply to  
16 antiquated vehicles being specially registered under section  
17 321.115.

18 Section 5 requires people licensed as new or used vehicle  
19 dealers under chapter 322 to be licensed as authorized vehicle  
20 recyclers under chapter 321H (with certain exceptions) if they  
21 wish to be in the business of selling, wrecking, or rebuilding  
22 in one calendar year six or more wrecked or salvage vehicles  
23 subject to registration.

24 Section 6 requires the state department of transportation  
25 to adopt rules so that authorized vehicle recyclers may apply  
26 for transporter plates.

27 Sections 1, 2, 5, and 6 take effect July 1 following  
28 enactment; sections 3 and 4 take effect January 1 following  
29 enactment. However, the state department of transportation is  
30 required to adopt rules to allow implementation of sections 3  
31 and 4 prior to the January 1 effective date.

32 This bill creates and internally cites new section 321.52A.

33 COMPANION TO LSB 7126IS

34  
35

SENATE FILE 2285

AN ACT

RELATING TO THE ENFORCEMENT OF LAWS CONCERNING MOTOR VEHICLE FRAUD, SALVAGE, AND THEFT, CERTIFICATES OF TITLE, AND TRANSFER OF OWNERSHIP OF FOREIGN, WRECKED, AND SALVAGE VEHICLES AND MAKING PENALTIES APPLICABLE AND PROVIDING EFFECTIVE DATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 307.37, Code 1987, is amended to read as follows:

307.37 MOTOR VEHICLE FRAUD AND ODOMETER LAW ENFORCEMENT.

The department shall investigate and prosecute violators of the laws concerning motor vehicle fraud including, but not limited to, the state and federal odometer law. The department shall refer available evidence concerning a possible violation of the laws concerning motor vehicle fraud including, but not limited to, section 321.71 or the federal odometer law or a rule or order issued under section 321.71 or the federal odometer law, to the attorney general. The attorney general, with or without the referral, may institute appropriate criminal proceedings or may direct the case to the appropriate county attorney to institute appropriate criminal proceedings. The attorney general may use those funds available to the department of justice for this purpose and law enforcement agencies may be reimbursed for expenses incurred in the enforcement of the state and federal odometer those laws, rules, or orders with the approval of the attorney general and concurrence by the department.

Sec. 2. Section 312.2, subsection 15, Code Supplement 1987, is amended to read as follows:

15. The treasurer of state, before making the allotments provided for in this section, shall credit annually to the

state department of transportation justice from the road use tax fund an amount equal to twenty-five cents on each title issuance for motor vehicle fraud law enforcement and prosecution purposes including, but not limited to, the enforcement of state and federal odometer law-enforcement purposes laws. ~~This subsection is effective for the fiscal period beginning July 1, 1984 and ending June 30, 1989.~~

Sec. 3. Section 321.24, unnumbered paragraph 3, Code Supplement 1987, is amended to read as follows:

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. If the prior certificate of title was a salvage, rebuilt, or junking certificate of title in any other state, or if the prior certificate of title in any other state indicates that the vehicle was salvaged, rebuilt, or junked, the new certificate of title shall contain the same information together with the name of the state issuing the prior salvage, rebuilt, or junking certificate of title and a salvage, rebuilt, or junking designation together with the name of the state issuing the prior salvage, rebuilt, or junking certificate of title shall be retained on all subsequent Iowa certificates of title for the vehicle, except as provided in section 321.52. In the event a vehicle which previously had a salvage certificate of title from another state is repaired and a regular certificate of title is to be issued for it pursuant to section 321.52 without the designation rebuilt, the regular certificate of title shall indicate the state which had issued the prior salvage certificate of title in the

same location in which Iowa certificates of title show the designation salvage or rebuilt, in addition to the name and address of the previous owner, in lieu of the salvage designation. The name of the state which had issued the prior salvage certificate of title shall remain in that location on every Iowa certificate of title issued thereafter for the vehicle. The department shall adopt rules to determine how other states' designations are to be indicated on Iowa titles. The certificate shall bear the seal of the county treasurer or of the department, and the signature of the county treasurer, the deputy county treasurer, 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. However, titles for mobile homes shall not be reassigned by licensed dealers. All certificates of title shall be typewritten or printed by other mechanical means.

Sec. 4. Section 321.52, subsection 4, unnumbered paragraph 1, Code 1987, is amended to read as follows:

a. A vehicle rebuilder or a motor vehicle dealer licensed under chapter 322, upon acquisition of a wrecked or salvage vehicle, shall surrender the certificate of title and registration receipt or manufacturer's or importer's statement of origin properly assigned, together with an application for a salvage certificate of title to the county treasurer of the county of residence of the purchaser or transferee within fourteen days after the date of assignment of the certificate of title for the wrecked or salvage motor vehicle. This subsection applies only to vehicles with a fair market value of five hundred dollars or more, based on the value before the

vehicle became wrecked or salvage. Upon payment of a fee of two dollars, the county treasurer shall issue a salvage certificate of title which shall bear the word "SALVAGE" stamped or printed on the face of the title in bold-letters and-coded in a manner prescribed by the department. A salvage certificate of title may be assigned to any person. ~~Notwithstanding any other provisions in this section a~~ A vehicle on which ownership has transferred to an insurer of the vehicle, as a result of a settlement with the owner of the vehicle arising out of damage to, or unrecovered theft of the vehicle, shall be deemed to be a wrecked or salvage vehicle and the insurer shall comply with this subsection to obtain a salvage certificate of title within fourteen days after the date of assignment of the certificate of title of the vehicle. However, a vehicle that has major damage to four or more component parts as defined in paragraph "b" shall receive a junking certificate of title and shall not thereafter be granted a regular certificate of title.

Sec. 5. Section 321.52, subsection 4, unnumbered paragraph 2, Code 1987, is amended by striking the unnumbered paragraph and inserting in lieu thereof the following lettered paragraphs, and lettering the existing paragraphs of the subsection:

b. When a wrecked or salvaged vehicle has been repaired, the owner may apply for a regular certificate of title by paying the appropriate fees and surrendering the salvage certificate of title and a properly executed salvage theft examination certificate. The county treasurer shall issue a regular certificate of title which, commencing September 1, 1988, if the wrecked or salvaged vehicle is five model years old or less, shall bear the word "REBUILT" stamped or printed on the face of the title. The rebuilt designation shall be included on every Iowa certificate of title issued thereafter for the vehicle. However, if ownership of a stolen vehicle has been transferred to an insurer organized under the laws of

this state or admitted to do business in this state, or if the transfer was the result of a settlement with the owner of the vehicle arising from damage to or the unrecovered theft of the vehicle, and if the insurer certifies to the county treasurer on a form approved by the department that the cost of repairs to all damage to the vehicle is less than three thousand dollars, the county treasurer shall issue the regular certificate of title without the rebuilt designation. The county treasurer shall issue a regular certificate of title without the "REBUILT" designation if, before repairs are made, a component parts review has been conducted by a peace officer authorized to do so by the state department of transportation showing that the vehicle does not have component part damage. The component parts review shall be conducted in accordance with rules adopted by the department. For the purpose of this section, a wrecked or salvaged vehicle shall be considered to have component part damage if there is major damage requiring repairs or replacement of more than two of the vehicle's component parts. A "component part" means the rear clip, cowl, frame or inner structure forward of the cowl, body, cab, front end assembly, front clip, or such other parts which are critical to the safety of the vehicle as determined by rules adopted by the department. The owner shall pay a fee of thirty-five dollars upon the completion of the prerepair component parts review. The peace officer conducting the review shall maintain a record of the review and shall forward a copy of the review to the department. The department shall maintain a record of all reviews. If a vehicle does not have component damage as determined in this subsection, the officer conducting the review shall issue a certificate to the owner to that effect. The certificate shall be surrendered to the county treasurer at the time of application for a regular certificate of title and the treasurer shall forward the certificate to the department.

c. A salvage theft examination shall be made by a peace officer who has been specially certified and recertified when required by the Iowa law enforcement academy to do salvage theft examinations. The Iowa law enforcement academy shall determine standards for training and certification, conduct training, and may approve alternative training programs which satisfy the academy's standards for training and certification. The owner of the salvage vehicle shall make the vehicle available for examination at a time and location designated by the peace officer doing the examination. The owner may obtain a permit to drive the vehicle to and from the examination location by submitting a repair affidavit to the agency performing the examination stating that the vehicle is reasonably safe for operation and listing the repairs which have been made to the vehicle. The owner must be present for the examination and have available for inspection the salvage title, bills of sale for all essential parts changed, and the repair affidavit. The examination shall be for the purposes of determining whether the vehicle or repair components have been stolen. The examination is not a safety inspection and a signed salvage theft examination certificate shall not be construed by any court of law to be a certification that the vehicle is safe to be operated. There shall be no cause of action against the peace officer or the agency conducting the examination or the county treasurer for failure to discover or note safety defects. If the vehicle passes the theft examination, the peace officer shall indicate that the vehicle passed examination on the salvage theft examination certificate and, with regard to a vehicle which is required to bear the word "REBUILT" stamped or printed on the face of the title, shall permanently identify the vehicle as "rebuilt" on the driver's door jamb or other area on the vehicle as designated by the department. A removal or alteration of this rebuilt identification is a violation of section 321.92. The repair affidavit, permit, and salvage theft examination

certificate shall be on controlled forms prescribed and furnished by the department. The owner shall pay a fee of thirty dollars upon completion of the examination. The agency performing the examinations shall retain twenty dollars of the fee and shall pay five dollars of the fee to the department and five dollars of the fee to the Iowa law enforcement academy to provide for the special training, certification, and recertification of officers as required by this subsection.

The provision of this subsection requiring a salvage theft examination by a peace officer specially certified or recertified by the Iowa law enforcement academy to do salvage theft examinations shall become effective July 1, 1989.

Salvage theft examinations conducted before July 1, 1989, shall be made by peace officers authorized to do so by the state department of transportation or the department of public safety who are qualified, as determined by those agencies, to conduct salvage theft examinations. The state department of transportation shall adopt rules in accordance with chapter 17A to carry out this section, including transition rules allowing for salvage theft examinations prior to July 1, 1989.

Sec. 6. Section 321.52, subsection 4, unnumbered paragraph 3, Code 1987, is amended to read as follows:

d. For purposes of this subsection a "wrecked or salvage vehicle" means a damaged vehicle subject to registration and having a gross vehicle weight rating of less than thirty thousand pounds, for which the cost of repair exceeds fifty percent of the fair market value of the vehicle, as determined in accordance with rules adopted by the department, before it became damaged.

Sec. 7. Section 321.92, Code 1987, is amended to read as follows:

321.92 ALTERING OR CHANGING NUMBERS.

1. FRAUDULENT INTENT. No person shall with fraudulent intent, deface, destroy, or alter the vehicle identification

number or component part number or other distinguishing number or identification mark of a vehicle or component part, including a rebuilt identification, nor shall any a person place or stamp any a serial, engine, or other number or mark upon a vehicle or component part, except one assigned thereto by the department. Any A violation of this provision is a felony punishable as provided in section 321.483.

This subsection ~~shall~~ does not prohibit the restoration of an original vehicle identification number, component part number, or other number or mark when such the restoration is made by the department, nor prevent any a manufacturer from placing, in the ordinary course of business, numbers or marks upon vehicles or component parts.

2. VEHICLES WITHOUT IDENTIFICATION NUMBERS. Any A person who knowingly buys, receives, disposes of, sells, offers for sale, or has in the person's possession any a vehicle, or any a component part of a vehicle, from which the vehicle identification number, rebuilt identification, or component part number has been removed, defaced, covered, altered, or destroyed for the purpose of concealing or misrepresenting the identity of the vehicle or component part is guilty of a simple misdemeanor.

Sec. 8. Section 321H.3, unnumbered paragraph 1, Code 1987, is amended to read as follows:

Except for educational institutions, people licensed as new or-used vehicle dealers under chapter 322, people engaged in a hobby not for profit, people engaged in the business of purchasing bodies, parts of bodies, frames or component parts of vehicles only for sale as scrap metal or a person licensed under the provisions of this chapter as an authorized vehicle recycler, a person in this state shall not engage in the business of:

Sec. 9. The state department of transportation shall adopt rules which allow authorized vehicle recyclers, as defined in chapter 321H, to meet the definition of transporter, as

defined in chapter 321, so that transporter plates may be issued for authorized vehicle recyclers.

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JO ANN ZIMMERMAN  
President of the Senate

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DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2285, Seventy-second General Assembly.

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JOHN F. DWYER  
Secretary of the Senate

Approved April 15, 1988

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TERRY E. BRANSTAD  
Governor

**SF 2285**