

TRANSPORTATION DEPARTMENT[761]

Regulatory Analysis

Notice of Intended Action to be published: 761—Chapter 400
“Vehicle Registration and Certificate of Title”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 307.12(1)“j”; 321.20 as amended by 2026 Iowa Acts, Senate File 2189; and 321.134

State or federal law(s) implemented by the rulemaking: Iowa Code section 321.20 as amended by 2026 Iowa Acts, Senate File 2189; sections 321.34, 321.126 and 321.134; and 2026 Iowa Acts, Senate File 2088

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

November 3, 2026
9 to 9:30 a.m.

Microsoft Teams
Conference ID: 760 073 163#
Or dial: 515.817.6093

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Department of Transportation no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Sara Siedsma
6310 SE Convenience Boulevard
Ankeny, Iowa 50021
Email: sara.siedsma@iowadot.us

Purpose and Summary

The purpose of this proposed rulemaking is to align the rules with 2026 Iowa Acts, Senate Files 2088 and 2189, which, respectively, amend the Iowa Code to rename the Department’s records system in Iowa Code section 321.31 and to authorize nonresidents owning real property in Iowa to register and title their vehicle in Iowa upon presentation of their nonresident identification and proof of Iowa property ownership. This proposed rulemaking also clarifies the Department’s existing authority to establish the random letter-number sequence for nonpersonalized license plates, makes a technical citation update within the chapter, and amends the rules to align with the underlying statute regarding payment of registration fees when a vehicle is removed from storage.

References to Iowa Code chapter 321 are to that chapter as amended by 2026 Iowa Acts, Senate Files 2088 and 2189, including section 321.20(1)“f” as amended by Senate File 2189.

Analysis of Impact

1. Persons affected by the proposed rulemaking:

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs or fees associated with this proposed rulemaking beyond the underlying statutes.

- **Classes of persons that will benefit from the proposed rulemaking:**

Nonresidents who own property in Iowa but who do not hold an Iowa driver's license will benefit from the ability to register and title their vehicle in Iowa, consistent with the new statutory authority.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- **Quantitative description of impact:**

There are no quantitative impacts beyond those of the underlying statutes.

- **Qualitative description of impact:**

There are no qualitative impacts beyond those of the underlying statutes.

3. Costs to the State:

- **Implementation and enforcement costs borne by the agency or any other agency:**

There are no implementation or enforcement costs beyond those of the underlying statutes.

- **Anticipated effect on State revenues:**

There are no anticipated effects on State revenues beyond those of the underlying statutes.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

There is no benefit of inaction. This proposed rulemaking is required to conform with the underlying statutes.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

There are no less costly or less intrusive methods to achieve the purpose of this proposed rulemaking, which is compliance with the underlying statutes.

6. Alternative methods considered by the agency:

- **Description of any alternative methods that were seriously considered by the agency:**

The Department did not consider alternatives for this proposed rulemaking.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

There is no impact on small business from this proposed rulemaking beyond that of the underlying statutes.

Text of Proposed Rulemaking

ITEM 1. Adopt the following new subrule 400.2(10):

400.2(10) Registration plate numbers. Except for registration plates issued with a specific combination of numerals and letters requested by the owner pursuant to Iowa Code section 321.34(5), all registration plates issued and assigned under Iowa Code chapter 321 consist of a random combination of numerals and letters in a sequence determined by the department.

ITEM 2. Amend paragraph **400.3(1)“e”** as follows:

e. The vehicle color. If the color is not already listed in the department’s ~~vehicle registration and titling records~~ system, then the county treasurer selects the color that most closely matches the application.

ITEM 3. Amend subrule 400.3(2) as follows:

400.3(2) Information about owner, lessee and primary user authorized representatives. A firm, association, corporation, or trust that is not required to have a federal employer identification number shall disclose the social security number, Iowa driver’s license number or Iowa nonoperator’s identification card number of an authorized representative of the firm, association, corporation, or trust. The authorized representative of a trust is the trustee unless otherwise specified in the trust agreement or the certification of trust as defined in Iowa Code section 633A.4604. If the firm, association, corporation, or trust owns real property in Iowa, an out-of-state driver’s license of an authorized representative may be provided if accompanied by proof of Iowa real property ownership under subrule 400.4(11).

ITEM 4. Adopt the following new subrule 400.4(11):

400.4(11) Vehicles owned by nonresidents. An applicant who is a nonresident of Iowa may apply for an Iowa certificate of title and registration pursuant to Iowa Code section 321.20(1)“f.” For purposes of implementing Iowa Code section 321.20(1)“f”(2), any of the following constitute proof of ownership of real property in Iowa:

- a. Copy of a property deed with a file-stamped date from the issuing Iowa recorder’s office.
- b. Copy of a mortgage agreement for the Iowa property with signatures of all parties to the agreement.
- c. Copy of an installment purchase agreement for the Iowa property with signatures of all parties to the agreement.
- d. Verification of Iowa property ownership conducted by the county treasurer’s office, including review of online property ownership records or other confirmation obtained from a county recorder’s office.

ITEM 5. Amend paragraph **400.12(1)“b”** as follows:

b. The department will search the department’s ~~vehicle title and registration records~~ system to determine if there is an owner of record or security interest for the vehicle and if the vehicle has been reported stolen or embezzled.

(1) to (5) No change.

ITEM 6. Amend rule 761—400.17(307,321) as follows:

761—400.17(307,321) Registration of motor vehicle weighing 55,000 pounds or more. When applying for registration or renewal of registration for a motor vehicle weighing 55,000 pounds or more, the owner shall present to the department or to the county treasurer proof of compliance with the federal heavy vehicle use tax required by 26 CFR Part 41 in effect as of April 1, 2024 2025.

400.17(1) and 400.17(2) No change.

This rule is intended to implement Iowa Code sections 307.30 and 321.20.

ITEM 7. Amend paragraph **400.24(4)“b”** as follows:

b. The vehicle was placed in storage by the previous owner. The registration fee ~~due~~ shall be computed from and commence the month the annual registration fee for the registration year, without penalty, at the time the vehicle is removed from storage.

ITEM 8. Amend subrule 400.33(1) as follows:

400.33(1) The owner of a vehicle upon which the registration fee is not delinquent may surrender all registration plates for the vehicle to the county treasurer where the vehicle is registered and has the right to register the vehicle later upon payment of the annual registration fee ~~due, which shall be computed from and commence the month~~ for the registration year, without penalty, at the time the vehicle is removed from storage. Payment of a registration fee is not required when the vehicle is removed from storage within the current registration year, provided that registration fees have not been refunded. Surrendered plates shall be destroyed. When a vehicle is removed from storage, the fee is \$5 for a set of replacement plates.