CHAPTER 1145

VEHICLES — MOTOR VEHICLE REGISTRATION AND TITLING — MOTOR VEHICLE FRANCHISES

H.F. 674

AN ACT relating to vehicles, including by providing for registration and titling of motor vehicles by any county treasurer, by modifying related fees and the amount of fees retained by county treasurers, and the definitions of terms for purposes of motor vehicle franchisers, and including effective date provisions.

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

DIVISION I
COUNTY VEHICLE REGISTRATION AND TITLING — FEES

Section 1. Section 321.20, subsection 1, unnumbered paragraph 1, Code 2024, is amended to read as follows:

Except as provided in this chapter, an owner of a vehicle, or a lessor of a vehicle pursuant to chapter 321F which has a gross vehicle weight of less than ten thousand pounds, which is subject to registration, shall make application to ~~the~~ any county treasurer ~~of the county of the owner's residence, or if a nonresident, to the county treasurer of the county where the primary users of the vehicle are located, or if a lessor of the vehicle pursuant to chapter 321F which vehicle has a gross vehicle weight of less than ten thousand pounds, to the county treasurer of the county of the lessee's residence, or if a firm, association, or corporation with vehicles in multiple counties, the owner may make application to the county treasurer of the county where the primary user of the vehicle is located,~~ for the initial registration and issuance of a certificate of title for the vehicle upon the appropriate form furnished by the department. However, upon the transfer of ownership, the owner of a vehicle subject to the apportioned registration provisions of chapter 326 shall make application for issuance of a certificate of title to either the department or ~~the appropriate~~ any county treasurer. The owner of a vehicle purchased pursuant to section 578A.7 shall present documentation that such sale was completed in compliance with that section. The application shall be accompanied by a fee of ~~twenty~~ thirty dollars, and shall bear the owner's signature. A nonresident owner of two or more vehicles subject to registration may make application for initial registration and issuance of a certificate of title for all vehicles subject to registration to ~~the~~ any county treasurer ~~of the county where the primary user of any of the vehicles is located~~. The owner of a mobile home or manufactured home shall make application for a certificate of title under this section from the county treasurer of the county where the mobile home or manufactured home is located. The application shall contain:

Sec. 2. Section 321.20, subsections 2, 3, and 4, Code 2024, are amended to read as follows:

2. Notwithstanding contrary provisions of this chapter or chapter 326 regarding titling and registration by means other than electronic means, the department shall~~, by July 1, 2019,~~ develop and implement a program to allow for electronic applications, titling, ~~registering~~ initial registrations, and funds transfers for vehicles subject to registration in order to improve the efficiency and timeliness of the processes and to reduce costs for all parties involved. The program shall also provide for the electronic submission of any statement required by this section, except where prohibited by federal law.

3. The department shall adopt rules ~~on~~ pursuant to chapter 17A to administer this section, including rules relating to the method for providing signatures for applications and statements required by this section that are made by electronic means.

~~4. Notwithstanding this section or any other provision of law to the contrary, if the program required by subsection 2 is not implemented by July 1, 2019, an owner of a vehicle subject to registration may apply to the county treasurer of a county contiguous to the county designated for the owner under subsection 1 for registration and issuance of a certificate of title.~~

Sec. 3. Section 321.20A, subsection 1, Code 2024, is amended to read as follows:

1. Notwithstanding other provisions of this chapter, the owner of a commercial vehicle subject to the apportioned registration provisions of chapter 326 may make application to the department or ~~the appropriate~~ any county treasurer for a certificate of title. The owner of a commercial vehicle purchased pursuant to section 578A.7 shall present documentation that such sale was completed in compliance with that section. The application for certificate of title shall be made within thirty days of purchase or transfer and shall be accompanied by a ~~twenty-dollar~~ thirty-dollar title fee and the appropriate fee for new registration. The department or the county treasurer shall deliver the certificate of title to the owner if there is no security interest. If there is a security interest, the title, when issued, shall be delivered to the first secured party. Delivery may be made using electronic means.

Sec. 4. Section 321.23, subsection 1, paragraph a, Code 2024, is amended to read as follows:

a. If the vehicle to be registered is a specially constructed vehicle, reconstructed vehicle, street rod, replica vehicle, or foreign vehicle, such fact shall be stated in the application. A fee of ~~twenty~~ thirty dollars shall be paid by the person making the application upon issuance of a certificate of title by ~~the~~ any county treasurer. For a specially constructed vehicle, reconstructed vehicle, street rod, or replica vehicle subject to registration, the application shall be accompanied by a statement from the department authorizing the motor vehicle to be titled and registered in this state. The owner of a specially constructed vehicle, reconstructed vehicle, street rod, replica vehicle, or foreign vehicle purchased pursuant to section 578A.7 shall present documentation that such sale was completed in compliance with that section.

Sec. 5. Section 321.23, subsections 3 and 4, Code 2024, are amended to read as follows:

3. In the event an applicant for initial registration of a foreign vehicle for which a certificate of title has been issued is able to furnish evidence of being the registered owner of the vehicle to ~~the~~ any county treasurer ~~of the owner's residence~~, although unable to surrender such certificate of title, the county treasurer may issue a registration receipt and plates upon receipt of the required annual registration fee and the fee for new registration but shall not issue a certificate of title thereto. Upon surrender of the certificate of title from the foreign state, the county treasurer shall issue a certificate of title to the owner, or person entitled thereto, of such vehicle as provided in this chapter. The owner of a vehicle registered under this subsection shall not be required to obtain a certificate of title in this state and may transfer ownership of the vehicle to a motor vehicle dealer licensed under chapter 322 or an insurance carrier authorized to do business in this state if, at the time of the transfer, the certificate of title is held by a secured party and the dealer or insurance carrier, as applicable, has forwarded to the secured party the sum necessary to discharge the security interest pursuant to section 321.48, subsection 1.

4. A vehicle which does not meet the equipment requirements of this chapter due to the particular use for which it is designed or intended, may be registered by the department upon payment of appropriate fees and after inspection and certification by the department that the vehicle is not in an unsafe condition. A person is not required to have a certificate of title to register a vehicle under this subsection. If the owner elects to have a certificate of title issued for the vehicle, a fee of ~~twenty~~ thirty dollars shall be paid by the person making the application upon issuance of a certificate of title. If the department's inspection reveals that the vehicle may be safely operated only under certain conditions or on certain types of roadways, the department may restrict the registration to limit operation of the vehicle to the appropriate conditions or roadways. This subsection does not apply to snowmobiles as defined in section 321G.1. Section 321.382 does not apply to a vehicle registered under this subsection which is operated exclusively by a person with a disability who has obtained a persons with disabilities parking permit as provided in section 321L.2, if the persons with disabilities parking permit is carried in or on the vehicle and shown to a peace officer on request.

Sec. 6. Section 321.25, subsection 1, Code 2024, is amended to read as follows:

1. A vehicle may be operated upon the highways of this state without registration plates for a period of forty-five days after the date of delivery of the vehicle to the purchaser from a dealer if a card bearing the words "registration applied for" is attached on the rear of the vehicle. The card shall have plainly stamped or stenciled the registration number of the dealer from whom the vehicle was purchased and the date of delivery of the vehicle. In addition, a dealer licensed to sell new motor vehicles may attach the card to a new motor vehicle delivered by the dealer to the purchaser even if the vehicle was purchased from an out-of-state dealer and the card shall bear the registration number of the dealer that delivered the vehicle. A dealer shall not issue a card to a person known to the dealer to be in possession of registration plates which may be attached to the vehicle. A dealer shall not issue a card unless an application for initial registration and certificate of title has been made by the purchaser and a receipt issued to the purchaser of the vehicle showing the fee paid by the person making the application. Dealers' records shall indicate the agency to which the fee is sent and the date the fee is sent. The dealer shall forward the application by the purchaser to the county treasurer or state office within thirty calendar days from the date of delivery of the vehicle. However, if the vehicle is subject to a security interest and has been offered for sale pursuant to section 321.48, subsection 1, the dealer shall forward the application by the purchaser to the county treasurer or state office within thirty calendar days from the date of the delivery of the vehicle to the purchaser.

Sec. 7. Section 321.26, subsection 2, Code 2024, is amended to read as follows:

2. The county treasurer may adjust the registration renewal or expiration date of vehicles ~~registered in the county~~ for which the county treasurer is responsible for renewal under section 321.40 when deemed necessary to equalize the number of vehicles registered in each twelve-month period or for the administrative efficiency of the county treasurer's office. The adjustment shall be accomplished by delivery of a written notice to the vehicle owner of the adjustment and allowance of a credit for the remaining months of the unused portion of the annual registration fee, rounded to the nearest whole dollar, which amount shall be deducted from the annual registration fee due at the time of registration. Upon receipt of the notification the owner shall, within thirty days, surrender the registration card and registration plates to ~~a~~ any county treasurer, except that the registration plates shall not be surrendered if validation stickers or other emblems are used to designate the month and year of expiration of registration. Upon payment of the annual registration fee, less the credit allowed for the remaining months of the unused portion of the annual registration fee, the county treasurer ~~of the county where the vehicle is registered~~ that adjusted the registration renewal or expiration date of the vehicle shall issue a new registration card and registration plates, validation stickers, or emblems which indicate the month and year of expiration of registration.

Sec. 8. Section 321.29, Code 2024, is amended to read as follows:

321.29 Renewal not permitted.

Any vehicle that was once registered in the state, but which was removed from and no longer subject to registration in this state, shall, upon being returned to this state and becoming again subject to registration, be initially registered again in accordance with section 321.20.

Sec. 9. Section 321.34, subsection 1, Code 2024, is amended to read as follows:

1. *Plates issued.* The county treasurer upon receiving application, accompanied by proper fee, for registration of a vehicle shall issue to the owner one registration plate for a motorcycle, motorized bicycle, autocycle, truck tractor, trailer, or semitrailer and two registration plates for every other motor vehicle. The registration plates, including special registration plates, shall be assigned to the owner of a vehicle. When the owner of a registered vehicle transfers or assigns ownership of the vehicle to another person, the owner shall remove the registration plates from the vehicle. The owner shall forward the plates to ~~a~~ any county treasurer or the owner may have the plates assigned to another vehicle within thirty days after transfer, upon payment of the fees required by law. The owner shall immediately affix registration plates

retained by the owner to another vehicle owned or acquired by the owner, providing the owner complies with section 321.46. The department shall adopt rules providing for the assignment of registration plates to the transferee of a vehicle for which a credit is allowed under section 321.46, subsection 6.

Sec. 10. Section 321.40, subsection 1, Code 2024, is amended to read as follows:

1. Application for renewal for a vehicle registered under this chapter shall be made on or after the first day of the month prior to the month of expiration of registration and up to and including the last day of the month following the month of expiration of registration. The application for renewal shall be submitted to the county treasurer of the county of the owner's residence; or if a nonresident, to the county treasurer of the county where the primary users of the vehicle are located; or if a lessor of the vehicle pursuant to chapter 321F which has a gross vehicle weight of less than ten thousand pounds, to the county treasurer of the county of the lessee's residence; or if a firm, association, or corporation with vehicles in multiple counties, to the county treasurer of the county where the primary user of the vehicle is located. The registration shall be renewed upon payment of the appropriate annual registration fee. Application for renewal for a vehicle registered under chapter 326 shall be made on or after the first day of the month prior to the month of expiration of registration and up to and including the last day of the month of expiration of registration.

Sec. 11. Section 321.42, subsection 2, paragraphs a, c, and d, Code 2024, are amended to read as follows:

a. If a certificate of title is lost or destroyed, the owner or lienholder shall apply for a replacement copy of the original certificate of title. The owner or lienholder of a motor vehicle may also apply for a replacement copy of the original certificate of title upon surrender of the original certificate of title with the application. The application shall be made to the department or any county treasurer ~~who issued the original certificate of title~~. The application shall be signed by the owner or lienholder and accompanied by a fee of ~~twenty~~ thirty dollars.

c. If a security interest noted on the face of an original certificate of title was released by the lienholder on a separate form pursuant to section 321.50, subsection 5, and the signature of the lienholder, or the person executing the release on behalf of the lienholder, is notarized, but the lienholder has not delivered the original certificate to the appropriate party as provided in section 321.50, subsection 5, the owner may apply for and receive a replacement certificate of title without the released security interest noted thereon. The lienholder shall return the original certificate of title to the department or to ~~the~~ any county treasurer ~~of the county where the title was issued~~.

d. A new purchaser or transferee is entitled to receive an original title upon presenting the assigned replacement copy to ~~the~~ any county treasurer ~~of the county where the new purchaser or transferee resides~~. At the time of purchase, a purchaser may require the seller to indemnify the purchaser and all future purchasers of the vehicle against any loss which may be suffered due to claims on the original certificate. A person recovering an original certificate of title for which a replacement has been issued shall surrender the original certificate to the county treasurer or the department.

Sec. 12. Section 321.46, subsections 1, 2, and 5, Code 2024, are amended to read as follows:

1. The transferee shall, within thirty calendar days after purchase or transfer, apply for and obtain from ~~the~~ any county treasurer ~~of the person's residence, or if a nonresident, the county treasurer of the county where the primary users of the vehicle are located or the county where all other vehicles owned by the nonresident are registered, or in the case of a mobile home or manufactured home, the county treasurer of the county where the mobile home or manufactured home is located, or if a firm, association, or corporation with vehicles in multiple counties, the transferee may apply for and obtain from the county treasurer of the county where the primary user of the vehicle is located,~~ a new initial registration and a new certificate of title for the vehicle, except as provided in section 321.25, 321.48, or 322G.12, or when the transferee obtains the vehicle pursuant to section 321.52, subsection 2, paragraph "*b*". In the case of a mobile home or manufactured home, the transferee shall, within thirty

calendar days after purchase or transfer, apply for and obtain from the county treasurer of the county where the mobile home or manufactured home is located a new certificate of title. The transferee shall present with the application the certificate of title endorsed and assigned by the previous owner and shall indicate the name of the county in which the vehicle was last registered and the registration expiration date.

2. Upon filing the application for a new initial registration and a new title, the applicant shall pay a title fee of ~~twenty~~ thirty dollars, an annual registration fee prorated for the remaining unexpired months of the registration year, and a fee for new registration if applicable. A manufacturer applying for a certificate of title pursuant to section 322G.12 shall pay a title fee of ~~ten~~ twenty dollars. However, a title fee shall not be charged to a manufactured or mobile home retailer applying for a certificate of title for a used mobile home or manufactured home, titled in Iowa, as required under section 321.45, subsection 4. The county treasurer, if satisfied of the genuineness and regularity of the application, and in the case of a mobile home or manufactured home, that taxes are not owing under chapter 435, and that applicant has complied with all the requirements of this chapter, shall issue a new certificate of title and, except for a mobile home, manufactured home, or a vehicle returned to and accepted by a manufacturer as described in section 322G.12, a registration card to the purchaser or transferee, shall cancel the prior registration for the vehicle, and shall forward the necessary copies to the department on the date of issuance, as prescribed in section 321.24. Mobile homes or manufactured homes titled under chapter 448 that have been subject under section 446.18 to a public bidder sale in a county shall be titled in the county's name, with no fee, and the county treasurer shall issue the title.

5. The seller or transferor may file an affidavit on forms prescribed and provided by the department with ~~the~~ any county treasurer ~~of the county where the vehicle is registered~~ certifying the sale or transfer of ownership of the vehicle and the assignment and delivery of the certificate of title for the vehicle. Upon receipt of the affidavit, the county treasurer shall file the affidavit with the copy of the registration receipt for the vehicle on file in the treasurer's office and on that day the treasurer shall note receipt of the affidavit in the vehicle registration and titling system. Upon filing the affidavit, it shall be presumed that the seller or transferor has assigned and delivered the certificate of title for the vehicle. For a leased vehicle, the lessor licensed pursuant to chapter 321F or the lessee may file an affidavit as provided in this subsection certifying that the lease has expired or been terminated and the date that the leased vehicle was surrendered to the lessor.

Sec. 13. Section 321.47, subsections 1 and 3, Code 2024, are amended to read as follows:

1. If ownership of a vehicle is transferred by operation of law upon inheritance, devise or bequest, dissolution decree, order in bankruptcy, insolvency, replevin, foreclosure or execution sale, abandoned vehicle sale, or when the engine of a motor vehicle is replaced by another engine, or a vehicle is sold or transferred to satisfy an artisan's lien as provided in chapter 577, a landlord's lien as provided in chapter 570, a self-service storage facility lien as provided in section 578A.7, a storage lien as provided in chapter 579, a judgment in an action for abandonment of a manufactured or mobile home as provided in chapter 555B, upon presentation of an affidavit relating to the disposition of a valueless mobile, modular, or manufactured home as provided in chapter 555C, or repossession is had upon default in performance of the terms of a security agreement, ~~the~~ any county treasurer ~~in the transferee's county of residence~~ or, in the case of a mobile home or manufactured home, the county treasurer of the county where the mobile home or manufactured home is located, upon the surrender of the prior certificate of title or the manufacturer's or importer's certificate, or when that is not possible, upon presentation of satisfactory proof to the county treasurer of ownership and right of possession to the vehicle and upon payment of a fee of ~~twenty~~ thirty dollars and the presentation of an application for initial registration and certificate of title, may issue to the applicant a registration card for the vehicle and a certificate of title to the vehicle. A person entitled to ownership of a vehicle under a decree of dissolution shall surrender a reproduction of a certified copy of the dissolution and upon fulfilling the other requirements of this chapter is entitled to a certificate of title and registration receipt issued in the person's name.

3. Whenever ownership of a vehicle is transferred under the provisions of this section, the registration plates shall be removed and forwarded to ~~a~~ any county treasurer, or to the department if the vehicle is owned by a nonresident. Upon transfer the vehicle shall not be operated upon the highways of this state until the person entitled to possession of the vehicle applies for and obtains initial registration for the vehicle.

Sec. 14. Section 321.48, subsection 2, Code 2024, is amended to read as follows:

2. A foreign registered vehicle purchased or otherwise acquired by a dealer for the purpose of resale shall be issued a certificate of title for the vehicle by ~~the~~ any county treasurer ~~of the dealer's residence~~ upon proper application as provided in this chapter and upon payment of a fee of ~~five~~ fifteen dollars and the dealer is exempt from the payment of any and all registration fees for the vehicle. The application for certificate of title shall be made within thirty days after the vehicle comes within the border of the state. However, a dealer acquiring a vehicle registered in another state which permits Iowa dealers to reassign that state's certificates of title shall not be required to obtain a new initial registration or a new certificate of title and upon transferring title or interest to another person shall execute an assignment upon the certificate of title for the vehicle to the person to whom the transfer is made and deliver the assigned certificate of title to the person.

Sec. 15. Section 321.49, subsection 1, Code 2024, is amended to read as follows:

1. Except as provided in section 321.52, if an application for transfer of registration and certificate of title is not submitted to ~~the~~ any county treasurer ~~of the residence of the transferee~~ within thirty days of the date of assignment or transfer of title, or within thirty days of the date of delivery to the purchaser if the vehicle is subject to a security interest and was offered for sale pursuant to section 321.48, subsection 1, a penalty of ten dollars shall accrue against the applicant, and no registration card or certificate of title shall be issued to the applicant for the vehicle until the penalty is paid.

Sec. 16. Section 321.50, subsections 1 and 6, Code 2024, are amended to read as follows:

1. A security interest in a vehicle subject to registration under the laws of this state ~~or a mobile home or manufactured home~~, except trailers whose empty weight is two thousand pounds or less, and except new or used vehicles held by a dealer or manufacturer as inventory for sale, is perfected by the delivery to ~~the~~ any county treasurer ~~of the county where the certificate of title was issued or, in the case of a new certificate, to the county treasurer where the certificate will be issued,~~ of an application for certificate of title which lists the security interest, or an application for notation of security interest signed by the owner or by one owner of a vehicle owned jointly by more than one person, or signed through electronic means as determined by the department, or a certificate of title from another jurisdiction which shows the security interest, and payment of a fee of ~~ten~~ twenty dollars for each security interest shown. The security interest in a mobile home or manufactured home is perfected by the delivery to the county treasurer of the county where the certificate of title was issued or, in the case of a new certificate, to the county treasurer where the certificate will be issued, of an application for certificate of title which lists the security interest, or an application for notation of security interest signed by the owner or by one owner when owned jointly by more than one person, or signed through electronic means as determined by the department, or a certificate of title from another jurisdiction which shows the security interest, and payment of a fee of twenty dollars for each security interest shown. The department shall require the federal employer identification number of a secured party who is a firm, association, or corporation or, if a natural person, the social security number. Upon delivery of the application and payment of the fee, the county treasurer shall note the date of delivery on the application. If the delivery is by electronic means and the time is electronically recorded on the application along with the date, the time shall be included with the date on all subsequent documents and records where the date of perfection is required under this chapter. The date of delivery shall be the date of perfection of the security interest in the vehicle, regardless of the date the security interest is noted on the certificate of title. Up to three security interests may be perfected against a vehicle and shown on an Iowa certificate of title. If the owner or secured party is in possession of the certificate of title, it must also be delivered at this time. If a

vehicle is subject to a security interest when brought into this state, the validity of the security interest and the date of perfection is determined by section 554.9303. Delivery as provided in this subsection constitutes perfection of a security interest on a certificate of title for purposes of this chapter and chapter 554.

6. Notwithstanding subsection 5, when an application for registration and issuance of a certificate of title is made by the means described in section 321.20, subsection 2, and the application includes a certificate of title upon which a security interest has been discharged by the secured party and the cancellation of the security interest is noted by the secured party on the certificate of title above the secured party's signature, the county treasurer shall not require any other notation of the cancellation of the security interest on the face of the certificate of title, and~~, if applicable,~~ the county treasurer shall ~~notify the county treasurer of the county where the certificate of title was issued that the security interest has been released as of the specified date and shall~~ update such release on the applicable program or computer system. A dealer licensed under chapter 322 or chapter 322C is authorized to sell such a vehicle pursuant to section 321.48, subsection 1, paragraph *"b"*.

Sec. 17. Section 321.50, subsection 5, paragraphs a and c, Code 2024, are amended to read as follows:

a. Except as provided in section 321.48, subsection 1, paragraph *"b"*, when a security interest is discharged, the holder shall note a cancellation of the security interest on the face of the certificate of title over the holder's signature or may note the cancellation of the security interest on a separate, notarized release form or letter. The holder shall deliver the certificate of title and the form or letter, if applicable, to ~~the~~ any county treasurer ~~where the title was issued~~. In the case of a security interest that has been delivered by electronic means, the holder shall notify the department or the county treasurer, in a manner prescribed by the department, of the release of the security interest. The county treasurer shall immediately note the cancellation of the security interest on the face of the certificate of title, if applicable, and in the county records system. The county treasurer shall on the same day deliver the certificate of title, if applicable, and the separate, notarized release form or letter, if applicable, to the then first secured party or, if there is no such person, to the person as directed by the owner, in writing, on a form prescribed by the department or, if there is no person designated, then to the owner. The cancellation of the security interest shall be noted on the certificate of title by the county treasurer without charge. The holder of a security interest discharged by payment who fails to release the security interest within fifteen days after being requested in writing to do so shall forfeit to the person making the payment the sum of twenty-five dollars.

c. When a security interest is discharged, the lienholder shall note the cancellation of the security interest on the face of the title and, if applicable, may note the cancellation of the security interest on a form prescribed by the department and deliver a copy of the form in lieu of the title to the department or to ~~the~~ any county treasurer ~~of the county in which the title was issued~~. The form may be delivered by electronic means. The department or county treasurer shall note the release of the security interest upon the statewide computer system and the county's records. A copy of the form, if used, shall be attached to the title by the lienholder, if the title is held by the lienholder, and shall be evidence of the release of the security interest. If the title is held by the lienholder, the lienholder shall deliver the title to the first lienholder, or if there is no such person, to the person as designated by the owner, or if there is no such person designated, to the owner. If a certificate of title has not been issued, upon release of a security interest, the lienholder shall notify the department or the county treasurer, in a manner prescribed by the department, of the release of the security interest.

Sec. 18. Section 321.52, subsection 2, paragraph a, Code 2024, is amended to read as follows:

a. The purchaser or transferee of a motor vehicle subject to registration for which a certificate of title is issued which is sold for scrap or junk shall surrender the certificate of title, properly endorsed and signed by the previous owner, to ~~the~~ any county treasurer ~~of the county of residence of the transferee~~, and shall apply for a junking certificate from the county treasurer, within thirty days after assignment of the certificate of title, except when

the vehicle is disposed of pursuant to paragraph *"b"*. The county treasurer shall issue to such person without fee a junking certificate. A junking certificate shall authorize the holder to possess, transport, or transfer by endorsement the ownership of the junked vehicle. A certificate of title shall not again be issued for the vehicle subsequent to the issuance of a junking certificate except as provided in subsection 3. The county treasurer shall cancel the record of the vehicle. The junking certificate shall be printed on the registration receipt form and shall be imprinted with the words "junking certificate", as prescribed by the department. A space for transfer by endorsement shall be on the junking certificate. A separate form for the notation of the transfer of component parts shall be attached to the junking certificate when the certificate is issued.

Sec. 19. Section 321.52, subsection 4, paragraphs a and b, Code 2024, are amended to read as follows:

a. Notwithstanding any other provision of law to the contrary, an insurer may apply for and be issued a salvage certificate of title for a motor vehicle without surrendering the certificate of title or manufacturer's or importer's statement of origin properly assigned if ownership of the vehicle was transferred, or will transfer, to the insurer pursuant to a settlement with the previous owner of the vehicle arising from circumstances involving damage to the vehicle, and at least thirty days have expired since the effective date of such settlement. To obtain a salvage certificate of title pursuant to this paragraph *"a"*, the insurer shall submit an application for a salvage certificate of title to ~~the~~ any county treasurer ~~of the county in which the vehicle is stored by or on behalf of the insurer~~. The application shall be accompanied by an affidavit from the insurer in which the insurer certifies it has made at least two written attempts to obtain a properly assigned certificate of title or manufacturer's or importer's statement of origin for the vehicle by contacting the previous owner of the vehicle and all lienholders of record by certified mail or a similar service that provides proof of service using a return receipt, and has been unable to obtain the title or statement of origin. The failure of a previous owner or lienholder to provide a properly assigned certificate of title or manufacturer's or importer's statement of origin shall be deemed to be a waiver by the previous owner or lienholder of all rights, title, claim, and interest in the vehicle. The application shall also be accompanied by the application fee required under paragraph *"b"*, and proof of payment of the total amount of the settlement by the insurer to the previous owner of the vehicle. Upon receiving an application that complies with this paragraph *"a"*, the county treasurer shall issue a salvage certificate of title to the insurer which shall be free and clear of all liens and claims of ownership and shall bear the word "SALVAGE" stamped or printed on the face of the title in a manner prescribed by the department.

b. A vehicle rebuilder or a person engaged in the business of buying, selling, or exchanging vehicles of a type required to be registered in this state, upon acquisition of a wrecked or salvage vehicle, shall surrender the certificate of title or manufacturer's or importer's statement of origin properly assigned, together with an application for a salvage certificate of title, to ~~the~~ any county treasurer ~~of the county of residence of the purchaser or transferee~~ within thirty 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 ~~ten~~ twenty 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 a manner prescribed by the department. A salvage certificate of title may be assigned to an educational institution, a new motor vehicle dealer licensed under chapter 322, a person engaged in the business of purchasing bodies, parts of bodies, frames or component parts of vehicles for sale as scrap metal, a salvage pool, or an authorized vehicle recycler licensed under chapter 321H. An authorized vehicle recycler licensed under chapter 321H or a new motor vehicle dealer licensed under chapter 322 may assign or reassign an Iowa salvage certificate of title or a salvage certificate of title from another state to any person, and the provisions of section 321.24, subsection 5, requiring issuance of an Iowa salvage certificate of title shall not apply. 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 thirty days after the date of assignment of the certificate of title of the vehicle.

Sec. 20. Section 321.105A, subsection 2, unnumbered paragraph 1, Code 2024, is amended to read as follows:

In addition to the annual registration fee required under section 321.105, a "fee for new registration" is imposed in the amount of ten dollars plus five percent of the purchase price for each vehicle subject to registration. The fee for new registration shall be paid by the owner of the vehicle to the county treasurer at the time application is made for a new initial registration and certificate of title, if applicable. A new registration receipt shall not be issued until the fee has been paid. The county treasurer or the department of transportation shall require every applicant for a new registration receipt for a vehicle subject to registration to supply information as the county treasurer or the director deems necessary as to the time of purchase, the purchase price, and other information relative to the purchase of the vehicle. On or before the tenth day of each month, the county treasurer or the department of transportation shall remit to the department of revenue the amount of the fees for new registration collected during the preceding month.

Sec. 21. Section 321.105A, subsection 3, paragraph a, Code 2024, is amended to read as follows:

a. A fee for new registration is imposed in an amount equal to ten dollars plus five percent of the leased price for each vehicle subject to registration which is leased by a lessor licensed pursuant to chapter 321F for a period of six months or more. The fee for new registration shall be paid by the owner of the vehicle to the county treasurer from whom the registration receipt or certificate of title is obtained. A registration receipt for a vehicle subject to registration or issuance of a certificate of title shall not be issued until the fee for new registration is paid in the initial instance.

Sec. 22. Section 321.109, subsection 1, paragraph a, Code 2024, is amended to read as follows:

a. The annual fee for all motor vehicles including vehicles designated by manufacturers as station wagons, 1993 and subsequent model year multipurpose vehicles, and 2010 and subsequent model year motor trucks with an unladen weight of ten thousand pounds or less, except motor trucks registered under section 321.122, business-trade trucks, special trucks, motor homes, motorsports recreational vehicles, ambulances, hearses, autocycles, motorcycles, motorized bicycles, and 1992 and older model year multipurpose vehicles, shall be equal to one percent of the value as fixed by the department plus forty cents for each one hundred pounds or fraction thereof of weight of vehicle, as fixed by the department. The weight of a motor vehicle, fixed by the department for registration purposes, shall include the weight of a battery, heater, bumpers, spare tire, and wheel. Provided, however, that for any new vehicle purchased in this state by a nonresident for removal to the nonresident's state of residence the purchaser may make application to ~~the~~ any county treasurer ~~in the county of purchase~~ for a transit plate for which a fee of ten dollars shall be paid. And provided, however, that for any used vehicle held by a registered dealer and not currently registered in this state, or for any vehicle held by an individual and currently registered in this state, when purchased in this state by a nonresident for removal to the nonresident's state of residence, the purchaser may make application to ~~the~~ any county treasurer ~~in the county of purchase~~ for a transit plate for which a fee of three dollars shall be paid. The county treasurer shall issue a nontransferable certificate of registration for which no refund shall be allowed; and the transit plates shall be void thirty days after issuance. Such purchaser may apply for a certificate of title by surrendering the manufacturer's or importer's certificate or certificate of title, duly assigned as provided in this chapter. In this event, the county treasurer ~~in the county of purchase~~ shall, when satisfied with the genuineness and regularity of the application, and upon payment of a fee of ~~twenty~~ thirty dollars, issue a certificate of title in the name and address of the nonresident purchaser delivering the title to the owner. If there is a security interest noted on the title, the county treasurer shall mail to the secured party an acknowledgment of the notation of the security

interest. The county treasurer shall not release a security interest that has been noted on a title issued to a nonresident purchaser as provided in this paragraph. The application requirements of section 321.20 apply to a title issued as provided in this subsection, except that a natural person who applies for a certificate of title shall provide either the person's social security number, passport number, or driver's license number, whether the license was issued by this state, another state, or another country. The provisions of this subsection relating to multipurpose vehicles are effective for all 1993 and subsequent model years. The annual registration fee for multipurpose vehicles that are 1992 model years and older shall be in accordance with section 321.124.

Sec. 23. Section 321.109, subsection 3, Code 2024, is amended to read as follows:

3. The owner of an unregistered motor vehicle or motor vehicle for which the registration is delinquent may make application to ~~the~~ any county treasurer ~~of the county of residence or, if the unregistered or delinquent motor vehicle is purchased by a nonresident of the state, to the county treasurer in the county of purchase,~~ for a temporary thirty-day permit for a fee of twenty-five dollars. The permit shall authorize the motor vehicle to be driven or towed upon the highway, but shall not authorize a motor truck or truck tractor to haul or tow a load. The permit fee shall not be considered a registration fee or exempt the owner from payment of all other fees, registration fees, and penalties due. If the annual registration fee for the motor vehicle is delinquent, the annual registration fee and penalty shall continue to accrue until paid. The permit fee shall not be prorated, refunded, or used as credit as provided under section 321.46. The permit shall be displayed in the upper left-hand corner of the rear window of all motor vehicles, except motorcycles. Permits issued for a motorcycle shall be attached to the rear of the motorcycle.

Sec. 24. Section 321.126, subsection 1, paragraph g, Code 2024, is amended to read as follows:

g. If the vehicle was leased and an affidavit was filed by the lessor or the lessee as provided in section 321.46, the lessor or the lessee, as applicable, may make a claim for a refund with the county treasurer of the county where the vehicle was registered within six months of the vehicle's surrender to the lessor. The refund shall be paid to either the lessor or the lessee, as specified on the application for title and initial registration pursuant to section 321.20.

Sec. 25. Section 321.152, subsection 1, paragraphs b, d, and f, Code 2024, are amended to read as follows:

b. ~~Two~~ Twelve dollars and fifty cents from each fee collected for certificates of title.

d. ~~Sixty percent~~ Sixteen dollars of ~~all fees~~ each fee collected for perfection of security interests.

f. ~~One dollar~~ Eleven dollars from each fee for new registration collected pursuant to section 321.105A.

Sec. 26. EFFECTIVE DATE. This division of this Act takes effect January 1, 2025.

DIVISION II
DEFINITIONS RELATING TO MOTOR VEHICLE FRANCHISERS

Sec. 27. Section 322A.1, unnumbered paragraph 1, Code 2024, is amended to read as follows:

~~When~~ The following words and phrases when used in this chapter shall, ~~unless the context otherwise requires~~ for the purpose of this chapter, have the meanings respectively ascribed to them:

Approved May 8, 2024