

322G.12 Resale of returned vehicles.

A manufacturer who accepts the return of a motor vehicle pursuant to a settlement, determination, or decision under this chapter shall notify the state department of transportation, report the vehicle identification number of that motor vehicle within ten days after the acceptance, and obtain a new certificate of title for the vehicle in the manufacturer's name pursuant to section 321.46. In obtaining a new certificate of title, the manufacturer shall title the vehicle in the county of the transferor's residence and shall be exempt from the registration fee requirements of section 321.46. For purposes of chapter 423, a manufacturer's acceptance of the return of a motor vehicle, as described in this section, shall not be considered "use", as defined in section 423.1. The new certificate of title, and all subsequent registration receipts and certificates of title issued for the motor vehicle, shall contain a designation indicating that the motor vehicle was returned to the manufacturer pursuant to this chapter or a similar law of another state. The state department of transportation shall determine the manner in which the designation is to be indicated on registration receipts and certificates of title and may determine that a "REBUILT" or "SALVAGE" designation supersedes the designation required by this paragraph and include the "REBUILT" or "SALVAGE" designation on the registration receipt and certificate of title in lieu of the designation required by this paragraph.

A person shall not knowingly lease, sell, either at wholesale or retail, or transfer a title to a motor vehicle returned by reason of a settlement, determination, or decision pursuant to this chapter or a similar law of another state unless the nature of the nonconformity is clearly and conspicuously disclosed to the prospective transferee, lessee, or buyer. The attorney general shall prescribe by rule the form, content, and procedure pertaining to such a disclosure statement, recognizing the need of manufacturers to implement a uniform disclosure form. The manufacturer shall make a reasonable effort to ensure that such disclosure is made to the first subsequent retail buyer or lessee. For purposes of this section, "*settlement*" includes an agreement entered into between the manufacturer and the consumer that occurs after the thirtieth day following the manufacturer's receipt of the consumer's written notification pursuant to section 322G.4.

91 Acts, ch 153, §12; 95 Acts, ch 45, §8; 2000 Acts, ch 1047, §3, 4