

CHAPTER 322C

TRAVEL TRAILER DEALERS, MANUFACTURERS,
AND DISTRIBUTORS

[P]

Court action required for termination of installment contracts
during military service; §29A.102, 29A.105[P] Court action or parties agreement required for disposition of
property under obligation secured by mortgage, trust deed,
or other security during military service; §29A.103, 29A.104

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322C.1 Administration.

This chapter shall be administered by the director of transportation. The state department of transportation may employ persons necessary for the administration of this chapter.

[C81, §322C.1]

322C.2 Definitions.

As used in this chapter unless the context otherwise requires:

1. To sell "*at retail*" means to sell a travel trailer to a person who will devote it to a consumer use.
2. "*Department*" means the state department of transportation.
3. "*Distributor*" means a person who sells or distributes travel trailers to travel trailer dealers either directly or through a representative employed by a distributor.
4. "*Fifth-wheel travel trailer*" means a type of travel trailer which is towed by a motor vehicle by a connecting device known as a fifth wheel. When used in this chapter, "*travel trailer*" includes a fifth-wheel travel trailer.
5. "*Manufacturer*" means a person engaged in the business of fabricating or assembling travel trailers of a type required to be registered.
6. "*New travel trailer*" means a travel trailer that has not been sold at retail.
7. "*Person*" includes any individual, partnership, corporation, association, fiduciary or other legal entity engaged in business, other than a unit or agency of government or governmental subdivision.
8. "*Place of business*" means a designated location where facilities are maintained for displaying, reconditioning and repairing either new or used travel trailers.
9. "*Sell*" includes barter, exchange and other methods of dealing.
10. "*Travel trailer*" means a vehicle without motive power used or so manufactured or constructed as to permit its being used as a conveyance upon the public streets and highways and designed to permit the vehicle to be used as a place of human habitation by one or more persons. The vehicle may be up to eight feet six inches in width and its overall length shall not exceed forty feet.

11. "*Used travel trailer*" means a travel trailer which has been sold at retail and previously registered in this or any other state.

[C81, §322C.2]

2000 Acts, ch 1016, §24; 2002 Acts, ch 1119, §156

322C.3 Prohibited acts — exception.

1. A person shall not engage in this state in the business of selling at retail new travel trailers of any make, or represent or advertise that the person is engaged or intends to engage

in such business in this state, unless the person is authorized by a contract in writing between that person and the manufacturer or distributor of that make of new travel trailers to sell the trailers in this state, and unless the department has issued to the person a license as a travel trailer dealer for the same make of travel trailer.

2. A person, other than a licensed travel trailer dealer in new travel trailers, shall not engage in the business of selling at retail used travel trailers or represent or advertise that the person is engaged or intends to engage in such business in this state unless the department has issued to the person a license as a used travel trailer dealer.

3. A person is not required to obtain a license as a travel trailer dealer if the person is disposing of a travel trailer acquired or repossessed, so long as the person is exercising a power or right granted by a lien, title-retention instrument, or security agreement given as security for a loan or a purchase money obligation.

4. A travel trailer dealer shall not enter into a contract, agreement, or understanding, expressed or implied, with a manufacturer or distributor that the dealer will sell, assign, or transfer an agreement or contract arising from the retail installment sale of a travel trailer only to a designated person or class of persons. Any such condition, agreement or understanding between a manufacturer or distributor and a travel trailer dealer is against the public policy of this state and is unlawful and void.

5. A manufacturer or distributor of travel trailers or an agent or representative of the manufacturer or distributor, shall not refuse to renew a contract for a term of less than five years, and shall not terminate or threaten to terminate a contract, agreement or understanding for the sale of new travel trailers to a travel trailer dealer in this state without just, reasonable and lawful cause or because the travel trailer dealer failed to sell, assign or transfer a contract or agreement arising from the retail sale of a travel trailer to only a person or a class of persons designated by the manufacturer or distributor.

6. A travel trailer dealer shall not make and enter into a security agreement or other contract unless the agreement or contract meets the following requirements:

a. The security agreement or contract is in writing, is signed by both the buyer and the seller and is complete as to all essential provisions prior to the signing of the agreement or contract by the buyer except that, if delivery of the travel trailer is not made at the time of the execution of the agreement or contract, the identifying numbers of the travel trailer or similar information and the due date of the first installment may be inserted in the agreement or contract after its execution.

b. The agreement or contract complies with the Iowa consumer credit code, chapter 537, where applicable.

7. A manufacturer or distributor of travel trailers or an agent or representative of a manufacturer or distributor shall not coerce or attempt to coerce a travel trailer dealer to accept delivery of a travel trailer or travel trailer parts or accessories, or any other commodity which has not been ordered by the dealer.

8. Except under subsection 9 of this section, a person licensed under section 322C.4 shall not, either directly or through an agent, salesperson or employee, engage or represent or advertise that the person is engaged or intends to engage in this state, in the business of buying or selling new or used travel trailers on Sunday.

9. A travel trailer dealer may display new travel trailers at fairs, shows, and exhibitions on any day of the week as provided in this subsection. Travel trailer dealers, in addition to selling travel trailers at their principal place of business and lots, may, upon receipt of a temporary permit approved by the department, display and offer new travel trailers for sale and negotiate sales of new travel trailers at fairs, shows, and exhibitions. Application for temporary permits shall be made upon forms provided by the department and shall be accompanied by a ten dollar permit fee. Temporary permits shall be issued for a period not to exceed fourteen days. The department may issue multiple consecutive temporary permits.

10. A person who has been convicted of a fraudulent practice, has been convicted of three or more violations of section 321.92, subsection 2, or section 321.99, or has been convicted of any other indictable offense in connection with selling or other activity relating to vehicles, in this state or any other state, shall not for a period of five years from the date of conviction be an owner, salesperson, employee, officer of a corporation, or representative of a licensed

travel trailer dealer or represent themselves as an owner, salesperson, employee, officer of a corporation, or representative of a licensed travel trailer dealer.

[C81, §322C.3]

2001 Acts, ch 32, §39; 2003 Acts, ch 44, §114; 2006 Acts, ch 1068, §39; 2011 Acts, ch 38, §23

[T] NEW subsection 10

322C.4 Dealer's license application and fees.

1. Upon application and payment of a fee, a person may be licensed as a travel trailer dealer. The license fee is seventy dollars for a two-year period or part thereof. The person shall pay an additional fee of twenty dollars for a two-year period or part thereof for each travel trailer lot in addition to the principal place of business unless the lot is adjacent to the principal place of business. For purposes of this subsection, "*adjacent*" means that the principal place of business and each additional lot are adjoining parcels of property. The applicant shall file in the office of the department a verified application for license as a travel trailer dealer in the form the department prescribes, which shall include the following:

- a. The name of the applicant and the applicant's principal place of business.
- b. The name of the applicant's business and whether the applicant is an individual, partnership, corporation or other legal entity.
 - (1) If the applicant is a partnership the name under which the partnership intends to engage in business and the name and post office address of each partner.
 - (2) If the applicant is a corporation, the state of incorporation and the name and post office address of each officer and director.
- c. The make or makes of new travel trailers, if any, which the applicant will offer for sale at retail in this state.
- d. The location of each place of business within this state to be used by the applicant for the conduct of the business.
- e. If the applicant is a party to a contract, agreement, or understanding with a manufacturer or distributor of travel trailers or is about to become a party to a contract, agreement, or understanding, the applicant shall state the name of each manufacturer and distributor and the make or makes of new travel trailers, if any, which are the subject matter of the contract, agreement, or understanding.
- f. Other information concerning the business of the applicant the department reasonably requires for administration of this chapter.

2. The license shall be granted or refused within thirty days after application. A license is valid for a two-year period and expires, unless revoked or suspended by the department, on December 31 of even-numbered years. A licensee shall have the month of expiration and the month after the month of expiration to renew the license. A person who fails to renew a license by the end of this time period and desires to hold a license shall file a new license application and pay the required fee. A separate license shall be obtained for each county in which an applicant does business as a travel trailer dealer.

3. A licensee shall file with the department a supplemental statement when there is a change in an item of information required under paragraphs "a" to "e" of subsection 1, within fifteen days after the change. Upon filing a supplemental statement, the licensee shall surrender its license to the department together with a thirty-five-dollar fee. The department shall issue a new license modified to reflect the changes on the supplemental statement.

4. Before the issuance of a travel trailer dealer's license, the applicant shall furnish a surety bond executed by the applicant as principal and executed by a corporate surety company, licensed and qualified to do business within this state, which bond shall run to the state of Iowa, be in the amount of twenty-five thousand dollars and be conditioned upon the faithful compliance by the applicant as a dealer with all statutes of this state regulating or applicable to a travel trailer dealer, and shall indemnify any person dealing or transacting business with the dealer from loss or damage caused by the failure of the dealer to comply with the provisions of chapter 321 and this chapter, including the furnishing of a proper and valid certificate of title to a travel trailer, and that the bond shall be filed with the department

prior to the issuance of the license. A person licensed under chapter 322, with the same name and location or locations, is not subject to the provisions of this subsection.

[C81, §322C.4]

92 Acts, ch 1175, §17, 18; 97 Acts, ch 108, §41; 98 Acts, ch 1075, §29; 2000 Acts, ch 1016, §25; 2006 Acts, ch 1068, §54, 55, 57

322C.5 Display of license.

A license issued under section 322C.4 shall specify the location of the principal place of business and the location of each additional place of business, if any, for which the license is issued, and the license shall be conspicuously displayed at the principal place of business except during periods when the license is surrendered for modification.

[C81, §322C.5]

322C.6 Denial, suspension or revocation of license.

A license issued under section 322C.4 or 322C.9 may be denied, revoked, or suspended, after opportunity for a hearing before the department of inspections and appeals in accordance with chapters 10A and 17A, if it is determined that the licensee or applicant has done any of the following:

1. Violated a provision of this chapter.
2. Made a material misrepresentation to the department in connection with an application for a license, certificate of title or registration of a travel trailer or other vehicle.
3. Been convicted of a fraudulent practice in connection with selling or offering for sale vehicles or parts of vehicles subject to registration under chapter 321.
4. Failed to maintain an established principal place of business in the county.
5. Had a license issued under this chapter, chapter 321H or 322, suspended or revoked within the previous three years.
6. Been convicted of a violation of any provision of section 321.52, 321.78, 321.92, 321.97, 321.98, 321.99, 321.100 or 714.16.
7. Knowingly made misleading, deceptive, untrue or fraudulent representations in the business as a distributor of travel trailers or engaged in unethical conduct or practice harmful or detrimental to the public.

[C81, §322C.6]

89 Acts, ch 273, §9

[P] Fraudulent practices, see §714.8 – 714.14

322C.7 Manufacturer's or distributor's license.

A manufacturer or distributor of travel trailers shall not engage in business in this state without a license pursuant to this chapter.

[C81, §322C.7]

322C.8 Repealed by 2000 Acts, ch 1154, § 49.

322C.9 License application and fees.

Upon application and payment of a seventy dollar fee for a two-year period or part thereof, a person may be licensed as a manufacturer or distributor of travel trailers. The application shall be in the form and shall contain information as the department prescribes. The license shall be granted or refused within thirty days after application. The license expires, unless sooner revoked or suspended by the department, on December 31 of even-numbered years. A licensee shall have the month of expiration and the month after the month of expiration to renew the license. A person who fails to renew a license by the end of this time period and desires to hold a license shall file a new license application and pay the required fee.

[C81, §322C.9]

2000 Acts, ch 1016, §26; 2000 Acts, ch 1154, §26; 2006 Acts, ch 1068, §56, 57

322C.10 Fees.

Fees accruing from the administration of this chapter shall be accounted for and paid by the department into the state treasury monthly and credited to the road use tax fund.

[C81, §322C.10]

322C.11 Penalties.

A person violating a provision of section 322C.3 or 322C.7 is guilty of a serious misdemeanor.

[C81, §322C.11]

2000 Acts, ch 1154, §27

322C.12 Semitrailer or travel trailer retail installment contract — finance charges.

1. A retail installment contract or agreement for the sale of a semitrailer or travel trailer may include a finance charge not in excess of the following rates:

a. Class 1. Any new semitrailer or travel trailer designated by the manufacturer by a year model not earlier than the year in which the sale is made, an amount equivalent to one and three-fourths percent per month simple interest on the declining balance of the amount financed.

b. Class 2. Any new semitrailer or travel trailer not in Class 1 and any used semitrailer designated by the manufacturer by a year model of the same or not more than two years prior to the year in which the sale is made, an amount equivalent to two percent per month simple interest on the declining balance of the amount financed.

c. Class 3. Any used semitrailer or travel trailer not in Class 2 and designated by the manufacturer by a year model more than two years prior to the year in which the sale is made, an amount equivalent to two and one-fourth percent per month simple interest on the declining balance of the amount financed.

2. Amount financed shall be as defined in section 537.1301.

3. The limitations contained in this section do not apply in a transaction referred to in section 535.2, subsection 2. With respect to a consumer credit sale, as defined in section 537.1301, the limitations contained in this section supersede conflicting provisions of chapter 537, article 2, part 2.

[C81, §322C.12; 82 Acts, ch 1153, §3, 18(1)]

2010 Acts, ch 1061, §180

[P] This section was not enacted as a part of this chapter; 79 Acts, ch 128, §1