CHAPTER 321H

VEHICLE RECYCLERS

321H.1 Administration.
321H.2 Definitions.
321H.3 Prohibitions.
321H.4 License application and fees.
321H.4A Repealed by 98 Acts, ch 1075, §32.
321H.5 Display of license.
321H.6 Denial, suspension, or revocation of license.
321H.7 Fees.
321H.8 Penalties.

321H.1 Administration.

The administration of this chapter shall be vested in the director of the state department of transportation. The department may employ such employees as are necessary for the administration of this chapter, within applicable budget limitations.

[C79, 81, §321H.1]

321H.2 Definitions.

As used in this chapter and unless a different meaning appears from the context:

1. *"Authorized vehicle recycler"* means a person licensed to operate as a vehicle rebuilder, used vehicle parts dealer or vehicle salvager.
2. *"Department"* means the state department of transportation.
3. *"Extension"* means a place of business of an authorized vehicle recycler other than the principal place of business within the county of the principal place of business.
4. *"Person"* includes any individual, firm, corporation, partnership, joint adventure, or association, and the plural as well as the singular number.
5. *"Selling"* includes bartering, exchanging, or otherwise dealing in.
6. *"Used vehicle parts dealer"* means a person engaged in, or advertising as being engaged in, the business of selling bodies, parts of bodies, frames, or component parts of used vehicles subject to registration.
7. *"Vehicle"* means any vehicle as defined in chapter 321.
8. *"Vehicle rebuilder"* means a person engaged in, or advertising as being engaged in, the business of rebuilding or restoring to operating condition vehicles subject to registration which have been damaged or wrecked.
9. *"Vehicle salvager"* means a person engaged in, or advertising as being engaged in, the business of scrapping, recycling, dismantling, or storing wrecked or damaged vehicles or selling reusable parts of vehicles or storing vehicles not currently registered which vehicles are vehicles subject to registration.
10. *"Vehicle subject to registration"* means any vehicle that is of a type required to be registered under chapter 321 when operated on a public highway, including but not limited to a vehicle that is inoperable, salvage, or rebuilt.
11. *"Wrecked or salvage vehicle"* means a damaged vehicle for which the cost of repair exceeds fifty percent of the fair market value of the vehicle before it became damaged.

[C79, 81, §321H.2]

97 Acts, ch 108, §32; 2008 Acts, ch 1032, §106; 2009 Acts, ch 130, §29, 30; 2014 Acts, ch 1027, §2

Subsections 6, 8, and 9 amended

321H.3 Prohibitions.

Except for educational institutions; persons licensed as new vehicle dealers under chapter 322; persons engaged in a hobby not for profit; persons engaged in the business of purchasing bodies, parts of bodies, frames, or component parts of vehicles only for sale as scrap metal; insurance companies governed by chapter 515; county mutual insurance associations governed by chapter 518; state mutual insurance associations governed by chapter 518A; or persons licensed under the provisions of this chapter as authorized vehicle recyclers, a person in this state shall not engage in, or advertise as being engaged in, the business of any of the following:

1. Selling or offering for sale used bodies, parts of bodies, frames, or component parts of more than six used vehicles subject to registration in a twelve-month period.

2. Dismantling, scrapping, recycling, or salvaging more than six vehicles subject to registration in a twelve-month period.

3. Rebuilding or restoring for sale more than six wrecked or salvage vehicles subject to registration in a twelve-month period.

4. Storing more than six vehicles not currently registered or storing damaged vehicles except where such storing of damaged vehicles is incidental to the primary purpose of the repair of vehicles for others.

[C79, 81, §321H.3]

88 Acts, ch 1089, §8; 97 Acts, ch 108, §33; 2009 Acts, ch 130, §31; 2009 Acts, ch 179, §74; 2010 Acts, ch 1035, §3; 2014 Acts, ch 1027, §3

Unnumbered paragraph 1 amended

321H.4 License application and fees.

1. Upon application and payment of a fee, a person may apply for a license to operate as an authorized vehicle recycler to engage in the business as one or more of the following:

a. A vehicle rebuilder.

b. A used vehicle parts dealer.

c. A vehicle salvager.

2. *a.* Application for a license as an authorized vehicle recycler shall be made to the department on forms provided by the department. The application shall be accompanied by a fee of seventy dollars for a two-year period or part thereof. The license shall be approved or disapproved within thirty days after application for the license. A license expires 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 conducts operations.

b. The applicant shall specify which business or businesses, as enumerated in subsection 1, the applicant is applying for a license to engage in. An applicant shall have or demonstrate that the applicant will have the facilities and equipment necessary to engage in the business or businesses for which the applicant is applying for a license. The license shall specify which business or businesses the applicant has been authorized to engage in.

3. Each licensee shall file with the department a supplemental statement form when the licensee's principal place of business, an extension, or the operation of business in the county is changed to differ from the information contained on the initial license application form at least ten days prior to any operational change. The department shall notify each licensee of the approval of a change in license status. If a change in license status is approved by the department, the licensee shall surrender the old license to the department together with a thirty-five dollar fee. The department shall issue a new license modified to reflect the principal place of business, each extension, and the operations of the licensee.

[C79, 81, §321H.4]

92 Acts, ch 1104, §5; 92 Acts, ch 1175, §10; 2000 Acts, ch 1016, §19; 2006 Acts, ch 1068, §46, 57; 2009 Acts, ch 130, §32

321H.4A Repealed by 98 Acts, ch 1075, §32.

321H.5 Display of license.

A license issued under the provisions of this chapter shall specify the location of the principal place of business, each extension within the county of the principal place of business and the license shall be conspicuously displayed at the principal place of business except during periods when the license is surrendered for modifications.

[C79, 81, §321H.5]

321H.6 Denial, suspension, or revocation of license.

The license of a person issued under the provisions of this chapter may be denied, revoked, or suspended if the department finds any of the following:

1. The licensee has violated any provision of this chapter.

2. The licensee has made any material misrepresentation to the department in connection with an application for a license, junking certificate, salvage certificate, certificate of title, or registration of a vehicle.

3. The licensee has been convicted of a fraudulent practice or any indictable offense in connection with selling or other activity relating to vehicles, in this state or any other state, or has been convicted of three or more violations of section 321.92, subsection 2, or section 321.99.

4. The licensee has failed to maintain an established principal place of business in the county without notification to the department.

5. The licensee has had a license issued under the provisions of this chapter denied, suspended, or revoked within the previous three years.

6. The licensee has been determined in a final judgment of a court of competent jurisdiction to have violated section 714.16 in connection with selling or other activity relating to vehicles.

[C79, 81, §321H.6]

2009 Acts, ch 130, §33; 2010 Acts, ch 1035, §4, 5

Fraudulent practices, §714.8 – 714.14

321H.7 Fees.

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

[C79, 81, §321H.7]

321H.8 Penalties.

1. A person convicted of violating a provision of this chapter is guilty of a serious misdemeanor.

2. 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 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 an authorized vehicle recycler or represent themselves as an owner, salesperson, employee, officer of a corporation, or representative of an authorized vehicle recycler.

[C81, §321H.8]

97 Acts, ch 108, §34; 2009 Acts, ch 130, §34; 2010 Acts, ch 1035, §6

Fraudulent practices, §714.8 – 714.14