

CHAPTER 321A

MOTOR VEHICLE FINANCIAL RESPONSIBILITY

Referred to in §307.27, 321.1, 321.10, 321.20B, 321.213, 321.215, 321N.4, 690.2, 707.6A

For sanctions related to driving a motor vehicle without financial liability coverage, see §321.20B

	SUBCHAPTER I	321A.16	Installment payment of judgments — default.
	WORDS AND PHRASES DEFINED	321A.17	Proof required upon certain convictions.
321A.1	Definitions.	321A.18	Alternate methods of giving proof.
	SUBCHAPTER II	321A.19	Certificate of insurance as proof.
	ADMINISTRATION	321A.20	Certificate furnished by nonresident as proof.
321A.2	Department to administer chapter — judicial review.	321A.21	“Motor vehicle liability policy” defined.
321A.3	Abstract of operating record — fees to be charged and disposition of fees.	321A.22	Notice of cancellation or termination of certified policy.
	SUBCHAPTER III	321A.23	Chapter not to affect other policies.
	SECURITY FOLLOWING ACCIDENT	321A.24	Bond as proof.
321A.4	Effect of failure to report accidents.	321A.25	Certificate of deposit as proof.
321A.5	Security required following accident — exceptions.	321A.26	Owner may give proof for others.
321A.6	Exceptions to requirement of security.	321A.27	Substitution of proof.
321A.7	Duration of suspension.	321A.28	Other proof may be required.
321A.8	Application to unlicensed drivers and unregistered motor vehicles.	321A.29	Duration of proof — when proof may be canceled or returned.
321A.9	Form and amount of security.		
321A.10	Custody, disposition, and return of security.		
321A.11	Matters not to be evidence in civil suits.		
	SUBCHAPTER IV		
	PROOF OF FINANCIAL RESPONSIBILITY FOR THE FUTURE		
321A.12	Courts to report nonpayment of judgments.		
321A.13	Suspension for nonpayment of judgments — exceptions.		
321A.14	Suspension to continue until judgments paid and proof given.		
321A.15	Payments sufficient to satisfy requirements.		
	SUBCHAPTER V		
	VIOLATIONS OF CHAPTER — PENALTIES		
		321A.30	Rights not affected.
		321A.31	Surrender of license and registration.
		321A.32	Other violations — penalties.
		321A.32A	Civil penalty — disposition — reinstatement. Repealed by 2020 Acts, ch 1074, §54, 93.
	SUBCHAPTER VI		
	GENERAL PROVISIONS		
		321A.33	Exceptions.
		321A.34	Self-insurers.
		321A.35	Reserved.
		321A.36	Chapter not to prevent other process.
		321A.37	Uniformity of interpretation.
		321A.38	Title of chapter.
		321A.39	Liability insurance — statement.

SUBCHAPTER I

WORDS AND PHRASES DEFINED

321A.1 Definitions.

The following words and phrases when used in [this chapter](#) shall, for the purposes of [this chapter](#), have the meanings respectively ascribed to them in [this section](#), except in those instances where the context clearly indicates a different meaning:

1. “Book”, “list”, “record”, or “schedule” kept by a county auditor, assessor, treasurer, recorder, sheriff, or other county officer means the county system as defined in [section 445.1](#).

2. “Department” means the state department of transportation.

3. “Judgment” means a judgment which has become final by expiration without appeal during the time within which an appeal might have been perfected, or a judgment if an appeal from the judgment has been perfected, which has not been stayed by the execution, filing, and approval of a bond as provided in rule of [appellate procedure 6.601\(1\)](#), or a judgment which has become final by affirmation on appeal, rendered by a court of competent jurisdiction of a state or of the United States, upon a cause of action arising out of the ownership, maintenance, or use of a motor vehicle, as defined in [this section](#), for damages, including damages for care and loss of services, because of bodily injury to or death of a person, or for damages because of injury to or destruction of property, including the loss of use of property, or upon a cause of action on an agreement of settlement for such damages.

4. “License” means a driver’s license as defined in [section 321.1](#) issued under the laws of this state.

5. “Motor vehicle” means every vehicle which is self-propelled, but not including vehicles known as trackless trolleys which are propelled by electric power obtained from overhead trolley wires and not operated upon rails. The term “car” or “automobile” shall be synonymous with the term “motor vehicle”. “Motor vehicle” does not include special mobile equipment as defined in [this section](#).

6. “Nonresident” means every person who is not a resident of this state.

7. “Nonresident operating privilege” means the privilege conferred upon a nonresident by the laws of this state pertaining to the operation by the nonresident of a motor vehicle, or the use of a motor vehicle owned by the nonresident, in this state.

8. “Operator” means a person who is in actual physical control of a motor vehicle whether or not that person has a driver’s license as required under the laws of this state.

9. “Owner” means a person who holds the legal title of a motor vehicle; however, if the motor vehicle is the subject of a security agreement with a right of possession in the debtor, the debtor shall be deemed the owner for purposes of [this chapter](#) or if the motor vehicle is leased as defined in [section 321.493](#), the lessee shall be deemed the owner for purposes of [this chapter](#).

10. “Person” means every natural person, firm, partnership, association, or corporation.

11. “Proof of financial responsibility” means proof of ability to respond in damages for liability, on account of accidents occurring subsequent to the effective date of the proof, arising out of the ownership, maintenance, or use of a motor vehicle, in amounts as follows:

a. With respect to accidents occurring on or after January 1, 1981, and prior to January 1, 1983, the amount of fifteen thousand dollars because of bodily injury to or death of one person in any one accident, and, subject to the limit for one person, the amount of thirty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and the amount of ten thousand dollars because of injury to or destruction of property of others in any one accident.

b. With respect to accidents occurring on or after January 1, 1983, the amount of twenty thousand dollars because of bodily injury to or death of one person in any one accident, and, subject to the limit for one person, the amount of forty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and the amount of fifteen thousand dollars because of injury to or destruction of property of others in any one accident.

12. “Registration” means a registration certificate or certificates and registration plates issued under the laws of this state pertaining to the registration of motor vehicles.

13. “Special mobile equipment” means every vehicle not designed or used primarily for the transportation of persons or property and incidentally operated or moved over the highways, including road construction or maintenance machinery, ditch-digging apparatus, and implements of husbandry as defined in [section 321.1, subsection 32](#). This description does not exclude other vehicles which are within the general terms of [this subsection](#).

14. “State” means any state, territory, or possession of the United States, the District of Columbia, or any province of the Dominion of Canada.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.1]

83 Acts, ch 101, §74; 90 Acts, ch 1230, §77; 92 Acts, ch 1175, §39; 95 Acts, ch 136, §2; 98 Acts, ch 1073, §9; 2000 Acts, ch 1148, §1; 2002 Acts, ch 1119, §200, 201; 2005 Acts, ch 131, §1, 2, 5; 2008 Acts, ch 1032, §106; 2009 Acts, ch 179, §36; 2016 Acts, ch 1011, §52; 2017 Acts, ch 54, §46

Referred to in §321.12, 321A.24, 516A.1, 516A.2

SUBCHAPTER II ADMINISTRATION

321A.2 Department to administer chapter — judicial review.

1. a. The department shall administer and enforce the provisions of [this chapter](#) and may make rules necessary for its administration and shall provide for hearings upon request of persons aggrieved by orders or acts of the department under the provisions of [sections 321A.4 through 321A.11](#).

b. The hearings shall be held before the department as early as practicable within not to exceed twenty days after receipt of the request in the county in which the requesting person resides unless the department and the requesting person agree that the hearing may be held in some other county. Upon hearing the department may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant books and papers and may require an examination under oath of the person requesting the hearing.

2. Judicial review of the actions of the department may be sought in accordance with the terms of the Iowa administrative procedure Act, [chapter 17A](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.2]

88 Acts, ch 1278, §34; 92 Acts, ch 1175, §43; 2003 Acts, ch 44, §114; 2010 Acts, ch 1061, §180; 2021 Acts, ch 80, §180

Subsection 1, paragraph a amended

321A.3 Abstract of operating record — fees to be charged and disposition of fees.

1. The department shall upon request furnish any person a certified abstract of the operating record of a person subject to [chapter 321](#) or [321J](#), or [this chapter](#). The abstract shall also fully designate the motor vehicles, if any, registered in the name of the person. If there is no record of a conviction of the person having violated any law relating to the operation of a motor vehicle or of any injury or damage caused by the person, the department shall so certify. A fee of five dollars and fifty cents shall be paid for each abstract except for abstracts requested by state, county, or city officials, court officials, public transit officials, or other officials of a political subdivision of the state or a nonprofit charitable organization described in section 501(c)(3) of the Internal Revenue Code. Except for any additional access fee collected under [subsection 7](#), the department shall transfer the moneys collected under [this section](#) to the treasurer of state who shall credit to the general fund all moneys collected. If a fee established in [this subsection](#) is collected by the office of the chief information officer, created in [section 8B.2](#), for a record furnished through an electronic portal maintained by the office of the chief information officer, the office of the chief information officer shall transfer the moneys collected under [this subsection](#) to the treasurer of state who shall credit the moneys to the general fund.

2. A sheriff may provide an abstract of the operating record of a person to the person or an individual authorized by the person. The sheriff shall charge a fee of five dollars and fifty cents for each abstract which the sheriff shall transfer to the department quarterly. The sheriff may charge an additional fee sufficient to cover costs incurred by the sheriff in producing the abstract.

3. The abstracts are not admissible as evidence in an action for damages or criminal proceedings arising out of a motor vehicle accident.

4. The abstract of operating record provided under [this section](#) shall designate which

speeding violations occurring on or after July 1, 1986, but before May 12, 1987, are for violations of ten miles per hour or less over the legal speed limit in speed zones that have a legal speed limit greater than thirty-five miles per hour. For speeding violations occurring on or after May 12, 1987, the abstract provided under [this section](#) shall designate which speeding violations are for ten miles per hour or less over the legal speed limit in speed zones that have a legal speed limit equal to or greater than thirty-five miles per hour but not greater than fifty-five miles per hour.

5. The department shall not require a fee for a person to view their own operating record.

6. Fees under [subsection 1](#) may be paid by credit cards, as defined in [section 537.1301, subsection 17](#), approved for that purpose by the department of transportation. The department shall enter into agreements with financial institutions extending credit through the use of credit cards to ensure payment of the fees. The department shall adopt rules pursuant to [chapter 17A](#) to implement the provisions of [this subsection](#).

7. Notwithstanding [chapter 22](#) or any other law of this state, except as provided in [subsection 5](#), the department shall not make available a certified operating record in a manner which would result in a fee of less than that provided under [subsection 1](#). Should the department make available certified copies of abstracts of operating records on magnetic tape or on disk or through electronic data transfer, the five dollar and fifty cent fee under [subsection 1](#) applies to each abstract supplied, and an additional access fee may be charged for each abstract supplied through electronic data transfer.

8. a. (1) A person who purchases a certified abstract of an operating record directly from the department under [this section](#) shall only use, sell, disclose, or distribute the abstract or any portion of the abstract one time, for one purpose, and the person shall not supply that abstract or any portion of that abstract to more than one other person. The person shall make a subsequent request for the abstract and pay an additional fee for the request in the same manner as provided for the initial request for any subsequent use, sale, disclosure, or distribution of the same certified abstract or any portion of the abstract or to supply the same certified abstract or any portion of the abstract to another person, except as provided in subparagraph (2).

(2) Notwithstanding the limitation on use, sale, disclosure, and distribution of a certified abstract under subparagraph (1), a person who purchases a certified abstract under [this section](#) may provide a copy of the previously purchased certified abstract to the person who is an insurer who was originally supplied the certified abstract by the person who purchased the certified abstract.

b. A person who is supplied a certified abstract or any portion of the abstract by a person who purchases the certified abstract under paragraph “a” shall only use the abstract one time, for one purpose, and shall not reuse, sell, disclose, or distribute the abstract or any portion of the abstract except as provided in paragraph “c”.

c. A person who is an insurer or an insurance producer licensed under [chapter 522B](#) who purchases a certified abstract under [this section](#) or a person who is supplied a certified abstract or any portion of the abstract pursuant to paragraph “b” may use the certified abstract pursuant to this paragraph “c” for more than one use for the following purposes:

(1) To provide a copy to a consumer with respect to a specific decision impacting the consumer and made in whole or in part based upon information contained in the certified abstract, as defined by rule of the department.

(2) Internal auditing purposes, or similar internal purposes as defined by rule of the department.

(3) Internal purposes in a manner consistent with the federal Driver’s Privacy Protection Act, 18 U.S.C. §2721 – 2725, by a person who is an insurer.

(4) To show compliance with the retention requirements imposed under [this section](#) or other applicable law.

(5) By an insurer, to provide a copy to an insurance producer licensed under [chapter 522B](#) and appointed by the insurer for purposes of a specific application for coverage. However, a producer who is provided a certified abstract pursuant to this subparagraph shall not reuse, sell, disclose, or distribute the abstract with respect to any transaction not associated with the insurer who appointed the producer.

(6) To provide a copy to an insurer for purposes of a specific application for coverage if the person requesting the certified abstract is an insurance producer licensed under [chapter 522B](#) and appointed by the insurer for purposes of the specific application for coverage.

(7) To provide a copy, for the purpose of a specific application for coverage or for a purpose as provided under subparagraphs (1) through (4), to an affiliate of the person who is an insurer who originally purchased or was supplied the certified abstract. An affiliate who receives a copy of a certified abstract pursuant to this subparagraph shall only use the copy of the abstract one time and shall not reuse, sell, disclose, or distribute the copy to any other person, except as provided under subparagraphs (1) through (5) in the same manner as permitted for a person who is an insurer.

d. For purposes of [this subsection](#), “*affiliate*” means an insurer who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with the person who is an insurer.

e. A person who purchases a certified abstract directly from the department pursuant to [this section](#) shall keep records for a period of five years identifying the persons to whom the abstract is provided and the use of the abstract. Records maintained pursuant to [this subsection](#) shall be made available to the department upon request. A person who is otherwise supplied a certified abstract and who then provides that abstract to another person for a purpose other than the purposes identified under paragraph “c” shall also be subject to the recordkeeping requirements under this paragraph.

f. A person shall not use, sell, disclose, or distribute any abstract information or portion of the abstract information acquired under [this section](#) except as authorized by [this section](#) and any applicable rules of the department. Nothing in [this section](#) shall be construed to authorize the use, sale, disclosure, or distribution of personal information, protected personal information, or highly protected personal information as prohibited under [section 321.11](#) or the federal Driver’s Privacy Protection Act, 18 U.S.C. §2721 – 2725.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.3; 81 Acts, ch 14, §26]

83 Acts, ch 80, §1; 87 Acts, ch 120, §6; 88 Acts, ch 1158, §67; 88 Acts, ch 1214, §1; 88 Acts, ch 1278, §35 – 39; 89 Acts, ch 296, §37; 89 Acts, ch 317, §35; 90 Acts, ch 1267, §38; 92 Acts, ch 1175, §43; 93 Acts, ch 169, §19; 99 Acts, ch 207, §14; 2008 Acts, ch 1191, §58, 59; 2009 Acts, ch 126, §1; 2009 Acts, ch 179, §37; 2017 Acts, ch 39, §1

Referred to in [§692.20](#)

For each fiscal year of the fiscal period beginning July 1, 2013, and ending June 30, 2022, a portion of the fees collected for furnishing a certified abstract of a vehicle operating record to be transferred to the LowAccess revolving fund; 2013 Acts, ch 135, §3, 32; 2015 Acts, ch 141, §6, 44, 67, 68; 2016 Acts, ch 1130, §5; 2017 Acts, ch 171, §6, 33; 2018 Acts, ch 1164, §4; 2019 Acts, ch 136, §6; 2021 Acts, ch 142, §6

SUBCHAPTER III

SECURITY FOLLOWING ACCIDENT

321A.4 Effect of failure to report accidents.

The department shall suspend the license or any nonresident’s operating privilege of any person who willfully fails, refuses, or neglects to make reports of a traffic accident as required by the laws of this state.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.4]

92 Acts, ch 1175, §43

Referred to in [§321A.2](#), [321A.8](#), [321A.9](#), [321A.10](#), [321A.11](#), [321A.33](#)

321A.5 Security required following accident — exceptions.

1. The department shall, immediately or within sixty days after the receipt of a report of a motor vehicle accident within this state which has resulted in bodily injury or death or damage to the property of any one person in the amount of one thousand five hundred dollars or more, suspend the license of each operator and all registrations of each owner of a motor vehicle in any manner involved in the accident, and if the operator is a nonresident the privilege of operating a motor vehicle within this state, and if the owner is a nonresident the privilege of the use within this state of any motor vehicle owned by the owner, unless the operator or owner or both shall deposit security in a sum which shall be sufficient in the judgment of the

department to satisfy any judgment or judgments for damages resulting from the accident as may be recovered against the operator or owner; provided notice of the suspension shall be sent by the department to the operator and owner not less than ten days prior to the effective date of the suspension and shall state the amount required as security.

2. [This section](#) shall not apply under the conditions stated in [section 321A.6](#) or to any of the following:

a. To such operator or owner if such owner had in effect at the time of such accident an automobile liability policy with respect to the motor vehicle involved in such accident;

b. To such operator, if not the owner of such motor vehicle, if there was in effect at the time of such accident an automobile liability policy or bond with respect to the operator's operation of motor vehicles not owned by the operator;

c. To such operator or owner if the liability of such operator or owner for damages resulting from such accident is, in the judgment of the department, covered by any other form of liability insurance policy or bonds; or

d. To such owner if such owner is at the time of such accident qualified as a self-insurer under [section 321A.34](#), or to any such operator operating such motor vehicle for such self-insurer.

3. A policy or bond is not effective under [this section](#) unless issued by an insurance company or surety company authorized to do business in this state, except that if the motor vehicle was not registered in this state, or was a motor vehicle which was registered elsewhere than in this state at the effective date of the policy or bond, or the most recent renewal thereof, the policy or bond is not effective under [this section](#) unless the insurance company or surety company if not authorized to do business in this state executes a power of attorney authorizing the department to accept service on its behalf of notice or process in any action upon the policy or bond arising out of the accident. However, with respect to accidents occurring on or after January 1, 1981, and before January 1, 1983, every such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than fifteen thousand dollars because of bodily injury to or death of one person in any one accident and, subject to the limit for one person, to a limit of not less than thirty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than ten thousand dollars because of injury to or destruction of property of others in any one accident; and with respect to accidents occurring on or after January 1, 1983, every such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than twenty thousand dollars because of bodily injury to or death of one person in any one accident and, subject to the limit for one person, to a limit of not less than forty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than fifteen thousand dollars because of injury to or destruction of property of others in any one accident.

4. Upon receipt of a report of a motor vehicle accident and information that an automobile liability policy or surety bond meeting the requirements of [this chapter](#) was in effect at the time of this accident covering liability for damages resulting from such accident, the department shall forward by regular mail to the insurance carrier or surety carrier which issued such policy or bond a copy of such information concerning insurance or bond coverage, and it shall be presumed that such policy or bond was in effect and provided coverage to both the operator and the owner of the motor vehicle involved in such accident unless the insurance carrier or surety carrier shall notify the department otherwise within fifteen days from the mailing of such information to such carrier; provided, however, that in the event the department shall later ascertain that erroneous information had been given the department in respect to the insurance or bond coverage of the operator or owner of a motor vehicle involved in such accident, the department shall take such action as the department

is otherwise authorized to do under [this chapter](#) within sixty days after the receipt by the department of correct information with respect to such coverage.

[C31, 35, §5079-c4; C39, §5021.01; C46, §321.275; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.5; 81 Acts, ch 103, §8]

92 Acts, ch 1175, §43; 97 Acts, ch 72, §2; 2006 Acts, ch 1068, §32; 2010 Acts, ch 1061, §180; 2011 Acts, ch 38, §19

Referred to in §321A.2, 321A.6, 321A.7, 321A.8, 321A.9, 321A.10, 321A.11, 321A.32

321A.6 Exceptions to requirement of security.

The requirements as to security and suspension in [section 321A.5](#) shall not apply:

1. To the operator or the owner of a motor vehicle involved in any accident wherein no injury or damage was caused to the person or property of anyone other than such operator or owner.

2. To the operator or the owner of a motor vehicle if at the time of the accident the vehicle was stopped, standing, or parked, whether attended or unattended, except that the requirements of [this chapter](#) shall apply in the event the department determines that any such stopping, standing, or parking of the vehicle was illegal or that the vehicle was not equipped with lighted lamps or illuminating devices or flags when and as required by the laws of this state and that any such violation contributed to the accident.

3. To the owner of a motor vehicle if at the time of the accident the vehicle was being operated without the owner's permission, express or implied, or was parked by a person who had been operating such motor vehicle without such permission.

4. If, prior to the date that the department would otherwise suspend license and registration or nonresident's operating privilege under [section 321A.5](#), there shall be filed with the department evidence satisfactory to the department that the person who would otherwise have to file security has been released from liability or been finally adjudicated not to be liable or has executed a warrant for confession of judgment, payable when and in such installments as the parties have agreed to, or has executed a duly acknowledged written agreement providing for the payment of an agreed amount in installments, with respect to all claims for injuries or damages resulting from the accident; provided, however, in the event there shall be any default in the payment of any installment under any confession of judgment, then, upon notice of such default, the department shall forthwith suspend the license and registration or nonresident's operating privilege of such person defaulting which shall not be restored unless and until the entire amount provided for in said confession of judgment has been paid; and provided, further, that in the event there shall be any default in the payment of any installment under any duly acknowledged written agreement, then, upon notice of such default, the department shall forthwith suspend the license and registration or nonresident's operating privilege of such person defaulting which shall not be restored unless and until:

a. Such person deposits and thereafter maintains security as required under [section 321A.5](#) in such amount as the department may then determine; or

b. Twelve months after such security was required, provided the department has not been notified that an action upon such an agreement has been instituted in a court in this state within one year after such security was required.

5. To the operator or owner of special mobile equipment.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.6]

92 Acts, ch 1175, §43; 2005 Acts, ch 131, §3, 5

Referred to in §321A.2, 321A.5, 321A.7, 321A.8, 321A.9, 321A.10, 321A.11

321A.7 Duration of suspension.

If a person's license and registration or nonresident's operating privilege has been suspended as provided in [section 321A.5](#), that license and registration or privilege shall remain suspended and shall not be renewed and a new license or registration shall not be issued to that person until one of the following has occurred:

1. The person deposits, or there is deposited on the person's behalf, the security required under [section 321A.5](#).

2. Twelve months have elapsed after such accident and the department has not been notified by any party to the action or an attorney for any party that an action for damages arising out of such accident has been instituted within one year from the date of the accident.

3. Evidence satisfactory to the department has been filed with the department of a release from liability, or a final adjudication of nonliability, or a warrant for confession of judgment, or a duly acknowledged written agreement, in accordance with [section 321A.6, subsection 4](#). If, however, there is any default in the payment of any installment under any confession of judgment, then, upon notice of such default, the department shall immediately suspend the license and registration or nonresident's operating privilege of such person defaulting which shall not be restored unless and until the entire amount provided for in said confession of judgment has been paid. In addition, if there is any default in the payment of any installment under any duly acknowledged written agreement, then, upon notice of such default, the department shall immediately suspend the license and registration or nonresident's operating privilege of that person defaulting and the license and registration or nonresident's operating privilege shall not be restored unless and until one of the following occurs:

a. Such person deposits and thereafter maintains security as required under [section 321A.5](#) in such amount as the department may then determine.

b. Twelve months have elapsed after such security was required and the department has not been notified by any party to the action or an attorney for any party that an action upon such an agreement has been instituted in a court in this state within one year after such security was required.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.7]

[92 Acts, ch 1175, §43; 2009 Acts, ch 133, §124](#)

Referred to in [§321A.2, 321A.8, 321A.9, 321A.10, 321A.11](#)

321A.8 Application to unlicensed drivers and unregistered motor vehicles.

In case the operator or the owner of a motor vehicle involved in an accident within this state has no license or registration, the operator or owner shall not be allowed a license or registration until the operator or owner has complied with the requirements of [sections 321A.4 through 321A.7, this section](#), and [sections 321A.9 through 321A.11](#) to the same extent that would be necessary if, at the time of the accident, the operator or owner had held a license and registration.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.8]

[2014 Acts, ch 1092, §81](#)

Referred to in [§321A.2, 321A.9, 321A.10, 321A.11](#)

321A.9 Form and amount of security.

1. The security required under [sections 321A.4 through 321A.8, this section](#), and [sections 321A.10 and 321A.11](#) shall be in such form and in such amount as the department may require but in no case in excess of the limits specified in [section 321A.5](#) in reference to the acceptable limits of a policy or bond. The person depositing security shall specify in writing the person or persons on whose behalf the deposit is made and, at any time while such deposit is in the custody of the department or state treasurer, the person depositing it may, in writing, amend the specification of the person or persons on whose behalf the deposit is made to include an additional person or persons; provided, however, that a single deposit of security shall be applicable only on behalf of persons required to furnish security because of the same accident.

2. The department may reduce the amount of security ordered in any case within six months after the date of the accident if, in the department's judgment, the amount ordered is excessive. In case the security originally ordered has been deposited the excess deposited over the reduced amount ordered shall be returned to the depositor or the depositor's personal representative forthwith, notwithstanding the provisions of [section 321A.10](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.9]

[92 Acts, ch 1175, §43; 2014 Acts, ch 1092, §82](#)

Referred to in [§321A.2, 321A.8, 321A.10, 321A.11](#)

321A.10 Custody, disposition, and return of security.

1. Security deposited in compliance with the requirements of [sections 321A.4 through 321A.9](#), [this section](#), and [section 321A.11](#) shall be placed by the department in the custody of the state treasurer and shall be applicable only to the payment of a judgment or judgments rendered against the person or persons on whose behalf the deposit was made, for damages arising out of the accident in question in an action at law, begun not later than one year after the date of such accident, or within one year after the date of deposit of any security under [section 321A.7, subsection 3](#).

2. The deposit or any balance of the deposit shall be returned to the depositor or the depositor's personal representative when evidence satisfactory to the department has been filed with the department that one of the following has occurred:

a. There has been a release from liability, or a final adjudication of nonliability, or a warrant for confession of judgment, or a duly acknowledged agreement, in accordance with [section 321A.6, subsection 4](#).

b. Whenever, after the expiration of one year from the date of the accident, or within one year after the date of deposit of any security under [section 321A.7, subsection 3](#), the department is given reasonable evidence that there is no action for damages arising out of the accident pending and no judgment rendered in any such action has been left unpaid.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.10]

[92 Acts, ch 1175, §43](#); [2014 Acts, ch 1092, §83](#); [2021 Acts, ch 80, §181](#)

Referred to in [§321A.2](#), [321A.8](#), [321A.9](#), [321A.11](#)

Section amended

321A.11 Matters not to be evidence in civil suits.

Neither the report required by [section 321A.4](#), the action taken by the department pursuant to [sections 321A.4 through 321A.10](#) and [this section](#), the findings, if any, of the department upon which action is based, nor the security filed as provided in said sections shall be referred to in any way, or be any evidence of the negligence or due care of either party, at the trial of any action at law to recover damages.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.11]

[92 Acts, ch 1175, §43](#); [2020 Acts, ch 1063, §158](#)

Referred to in [§321A.2](#), [321A.8](#), [321A.9](#), [321A.10](#)

SUBCHAPTER IV

PROOF OF FINANCIAL RESPONSIBILITY FOR THE FUTURE

321A.12 Courts to report nonpayment of judgments.

1. Whenever any person fails within sixty days to satisfy any judgment, it shall be the duty of the clerk of the district court, or of the judge of a court which has no clerk, in which any such judgment is rendered within this state, to forward to the department immediately after the expiration of the sixty days and upon written request of the judgment creditor, a certified copy of such judgment.

2. If the defendant named in any certified copy of a judgment reported to the department is a nonresident, the department shall transmit a certified copy of the judgment to the official in charge of the issuance of licenses and registration certificates of the state of which the defendant is a resident.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.12]

[92 Acts, ch 1175, §43](#); [99 Acts, ch 144, §5](#)

Referred to in [§321A.13](#), [602.8102\(53\)](#)

321A.13 Suspension for nonpayment of judgments — exceptions.

1. The department upon receipt of a certified copy of a judgment, shall forthwith suspend the license and registration and any nonresident's operating privilege of any person against whom such judgment was rendered, except as hereinafter otherwise provided in [this section](#) and in [section 321A.16](#).

2. If the judgment creditor consents in writing, in such form as the department may

prescribe, that the judgment debtor be allowed license and registration or nonresident's operating privilege, the same may be allowed by the department, in the department's discretion, for six months from the date of such consent and thereafter until such consent is revoked in writing, notwithstanding default in the payment of such judgment, or of any installments thereof prescribed in [section 321A.16](#), provided the judgment debtor furnishes proof of financial responsibility.

3. Any person whose license, registration, or nonresident's operating privilege has been suspended or is about to be suspended or shall become subject to suspension under the provisions of [section 321A.12](#), [this section](#), and [sections 321A.14 through 321A.29](#) may be relieved from the effect of the judgment as prescribed in those sections by filing with the department an affidavit stating that at the time of the accident upon which the judgment has been rendered the affiant was insured, that the insurer is liable to pay the judgment, and the reason, if known, why the insurance company has not paid such judgment. Such a person shall also file the original policy of insurance or a certified copy thereof, if available, and such other documents as the department may require to show that the loss, injury, or damage for which the judgment was rendered, was covered by the policy of insurance. If the department is satisfied that the insurer was authorized to issue the policy of insurance at the time and place of issuing the policy and that the insurer is liable to pay the judgment, at least to the extent and for the amounts required in [this chapter](#), the department shall not suspend the person's license or registration or nonresident's operating privilege or, if already suspended, shall reinstate them.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.13]

[92 Acts, ch 1175, §43](#); [2014 Acts, ch 1092, §84](#); [2020 Acts, ch 1063, §159](#)

Referred to in [§321A.14](#)

321A.14 Suspension to continue until judgments paid and proof given.

A license, registration, and nonresident's operating privilege shall remain suspended under [section 321A.13](#), and shall not be renewed, nor shall any such license or registration be subsequently issued in the name of the person, including any person not previously licensed, until every judgment is satisfied in full or to the extent provided in [this chapter](#), or until evidence is provided, to the satisfaction of the department, that the judgment has not been renewed and is no longer enforceable. A person whose license, registration, or nonresident's operating privilege was suspended under [section 321A.13](#) must provide proof to the department of financial responsibility subject to the exemptions stated in [sections 321A.13 and 321A.16](#) prior to obtaining a license, registration, or nonresident's operating privilege.

[C31, 35, §5079-c4; C39, §5021.01; C46, §321.275; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.14]

[87 Acts, ch 14, §1](#); [2001 Acts, ch 132, §15](#); [2020 Acts, ch 1063, §160](#)

Referred to in [§321A.13](#)

321A.15 Payments sufficient to satisfy requirements.

1. a. Judgments referred to in [this chapter](#) and rendered upon claims arising from accidents occurring on or after January 1, 1981, and before January 1, 1983, shall, for the purpose of [this chapter](#) only, be deemed satisfied when the following occur:

(1) When fifteen thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of one person as the result of any one accident.

(2) When, subject to the limit of fifteen thousand dollars because of bodily injury to or death of one person, the sum of thirty thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of two or more persons as the result of any one accident.

(3) When ten thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of injury to or destruction of property of others as a result of any one accident.

b. Judgments referred to in [this chapter](#) and rendered upon claims arising from accidents

occurring on or after January 1, 1983, shall, for the purpose of [this chapter](#) only, be deemed satisfied when the following occur:

(1) When twenty thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of one person as the result of any one accident.

(2) When, subject to the limit of twenty thousand dollars because of bodily injury to or death of one person, the sum of forty thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of two or more persons as the result of any one accident.

(3) When fifteen thousand dollars has been credited upon any judgment or judgments rendered in excess of that amount because of injury to or destruction of property of others as a result of any one accident.

2. Provided, however, payments made in settlements of any claims because of bodily injury, death, or property damage arising from a motor vehicle accident shall be credited in reduction of the amounts provided for in [this section](#).

[C31, 35, §5079-c4; C39, §5021.02; C46, §321.276; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.15]

Referred to in [§321A.13](#)

321A.16 Installment payment of judgments — default.

1. A judgment debtor upon due notice to the judgment creditor may apply to the court in which such judgment was rendered for the privilege of paying such judgment in installments and the court, in its discretion and without prejudice to any other legal remedies which the judgment creditor may have, may so order and fix the amounts and times of payment of the installments.

2. The department shall not suspend a license, registration, or nonresident's operating privilege, and shall restore any license, registration, or nonresident's operating privilege suspended following nonpayment of a judgment, when the judgment debtor gives proof of financial responsibility and obtains such an order permitting the payment of such judgment in installments, and while the payment of any said installment is not in default.

3. In the event the judgment debtor fails to pay any installment as specified by such order, then upon notice of such default, the department shall forthwith suspend the license, registration, or nonresident's operating privilege of the judgment debtor until such judgment is satisfied, as provided in [this chapter](#).

[C31, 35, §5079-c4; C39, §5021.02; C46, §321.276; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.16]

[92 Acts, ch 1175, §43](#)

Referred to in [§321A.13](#), [321A.14](#)

321A.17 Proof required upon certain convictions.

1. Whenever the department, under any law of this state, suspends or revokes the license of any person upon receiving record of a conviction or a forfeiture of bail or revokes the license of any person pursuant to [chapter 321J](#), the department shall also suspend the registration for all motor vehicles registered in the name of the person, except that the department shall not suspend the registration, unless otherwise required by law, if the person has previously given or immediately gives and thereafter maintains proof of financial responsibility with respect to all motor vehicles registered by the person.

2. Such license and registration shall remain suspended or revoked and shall not at any time thereafter be renewed nor shall any license be thereafter issued to such person, nor shall any motor vehicle be thereafter registered in the name of such person until permitted under the motor vehicle laws of this state and not then unless and until the person shall give and thereafter maintain proof of financial responsibility.

3. If a person is not licensed, but by final order or judgment is convicted of or forfeits any bail or collateral deposited to secure an appearance for trial for any offense requiring the suspension or revocation of license, or for operating an unregistered motor vehicle upon the highways, no license shall be thereafter issued to such person and no motor vehicle shall

continue to be registered or thereafter be registered in the name of such person until the person shall give and thereafter maintain proof of financial responsibility.

4. An individual applying for a driver's license following a period of suspension or revocation pursuant to a dispositional order issued under [section 232.52, subsection 2, paragraph "a"](#), or under [section 321.180B, section 321.210, subsection 1, paragraph "a"](#), subparagraph (4), or [section 321.210A, 321.213A, 321.213B, 321.216B, or 321.513](#), following a period of suspension or revocation under [section 321.178 or 321.194](#), or following a period of revocation pursuant to a court order issued under [section 321J.2A](#), is not required to maintain proof of financial responsibility under [this section](#).

5. [This section](#) does not apply to a commercial driver's licensee who is merely disqualified from operating a commercial motor vehicle under [section 321.208](#) if the licensee's driver's license is not suspended or revoked.

6. [This section](#) does not apply to an individual whose administrative license suspension under [section 321.210D](#) has been rescinded and who is otherwise under no obligation to furnish proof of financial responsibility.

7. [This section](#) does not apply to an individual whose administrative license revocation has been rescinded under [section 321J.13](#), and who is otherwise under no obligation to furnish proof of financial responsibility.

8. [This section](#) does not apply to an individual whose privilege to operate a motor vehicle has been suspended or revoked when the period of suspension or revocation has ended and the individual provides evidence satisfactory to the department that the individual has established residency in another state. The individual may not apply for an Iowa driver's license for two years from the effective date of the person's last suspension or revocation unless proof of financial responsibility is filed with the department, as required by [this section](#).

9. The registration suspension required under [this section](#) does not apply to a motor vehicle awarded to an individual under an order entered pursuant to [section 598.21](#), if all of the following apply:

a. The individual was the co-owner of the motor vehicle with a spouse who is required to file and maintain proof of financial responsibility.

b. The individual is not otherwise required to file and maintain proof of financial responsibility.

c. The individual is not able to obtain title to the motor vehicle in the individual's sole name due to a lien against the motor vehicle that existed at the time the order was entered pursuant to [section 598.21](#).

[C31, 35, §5079-c5, -c6; C39, §5021.03, 5021.04; C46, §321.277, 321.278; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.17; 82 Acts, ch 1167, §11]

85 Acts, ch 197, §5; 86 Acts, ch 1220, §38; 89 Acts, ch 266, §3; 90 Acts, ch 1230, §78; 92 Acts, ch 1175, §43; 93 Acts, ch 16, §11; 93 Acts, ch 164, §5; 94 Acts, ch 1172, §36; 95 Acts, ch 48, §6; 95 Acts, ch 55, §11; 96 Acts, ch 1218, §67; 98 Acts, ch 1073, §9; 98 Acts, ch 1088, §2; 98 Acts, ch 1112, §12; 99 Acts, ch 13, §19, 29; 2002 Acts, ch 1063, §34, 35; 2009 Acts, ch 130, §27, 38; 2010 Acts, ch 1061, §176; 2011 Acts, ch 38, §20; 2014 Acts, ch 1123, §18; 2018 Acts, ch 1172, §101, 104

Referred to in [§321.189, 321.210B, 321.213, 321A.13](#)

2018 amendment takes effect July 1, 2018; Code editor received notice that the governor submitted the written certifications required by 2018 Acts, ch 1172, to the United States secretary of transportation on that date; 2018 Acts, ch 1172, §104

321A.18 Alternate methods of giving proof.

Proof of financial responsibility when required under [this chapter](#) may be given by filing any of the following:

1. A certificate of insurance as provided in [section 321A.19](#) or [section 321A.20](#).

2. A bond as provided in [section 321A.24](#).

3. A certificate of deposit as provided in [section 321A.25](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.18]

2000 Acts, ch 1025, §2, 6; 2013 Acts, ch 37, §2

Referred to in [§321A.13](#)

321A.19 Certificate of insurance as proof.

1. Proof of financial responsibility may be furnished by filing with the department the written certificate of any insurance carrier duly authorized to do business in this state certifying that there is in effect a motor vehicle liability policy for the benefit of the person required to furnish proof of financial responsibility. Such certificate shall give the effective date of such motor vehicle liability policy, which date shall be the same as the effective date of the certificate, and shall designate by explicit description or by appropriate reference all motor vehicles covered thereby, unless the policy is issued to a person who is not the owner of a motor vehicle.

2. No motor vehicle shall be or continue to be registered in the name of any person required to file proof of financial responsibility unless such motor vehicle is so designated in such a certificate.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.19]

[92 Acts, ch 1175, §43](#)

Referred to in [§321A.13](#), [321A.18](#), [321A.21](#), [321A.22](#)

321A.20 Certificate furnished by nonresident as proof.

1. The nonresident owner of a motor vehicle not registered in this state may give proof of financial responsibility by filing with the department a written certificate or certificates of an insurance carrier authorized to transact business in the state in which the motor vehicle, or motor vehicles, described in such certificate is registered, or if such nonresident does not own a motor vehicle, then in the state in which the insured resides, provided such certificate otherwise conforms with the provisions of [this chapter](#), and the department shall accept the same upon condition that said insurance carrier complies with the following provisions with respect to the policies so certified:

a. Said insurance carrier shall execute a power of attorney authorizing the department to accept service on its behalf of notice or process in any action arising out of a motor vehicle accident in this state.

b. Said insurance carrier shall agree in writing that such policies shall be deemed to conform with the laws of this state relating to the terms of motor vehicle liability policies issued herein.

2. If any insurance carrier not authorized to transact business in this state, which has qualified to furnish proof of financial responsibility, defaults in any said undertakings or agreements, the department shall not thereafter accept as proof any certificate of said carrier whether theretofore filed or thereafter tendered as proof, so long as such default continues.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.20]

[92 Acts, ch 1175, §43](#)

Referred to in [§321A.13](#), [321A.18](#), [321A.21](#), [321A.22](#)

321A.21 “Motor vehicle liability policy” defined.

1. A “*motor vehicle liability policy*” as said term is used in [this chapter](#) shall mean an owner’s or an operator’s policy of liability insurance, certified as provided in [section 321A.19](#) or [section 321A.20](#) as proof of financial responsibility, and issued, except as otherwise provided in [section 321A.20](#), by an insurance carrier duly authorized to transact business in this state, to or for the benefit of the person named therein as insured.

2. Such owner’s policy of liability insurance:

a. Shall designate by explicit description or by appropriate reference all motor vehicles with respect to which coverage is thereby to be granted; and

b. Shall insure the person named in the policy and any other person, as insured, using the motor vehicles with the express or implied permission of the named insured, against loss from the liability imposed by law for damages arising out of the ownership, maintenance, or use of the motor vehicles within the United States of America or the Dominion of Canada, subject to limits exclusive of interest and costs, with respect to each such motor vehicle, as follows: With respect to all accidents which occur on or after January 1, 1981, and before January 1, 1983, fifteen thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, thirty thousand dollars because of

bodily injury to or death of two or more persons in any one accident, and ten thousand dollars because of injury to or destruction of property of others in any one accident; and with respect to all accidents which occur on or after January 1, 1983, twenty thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, forty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and fifteen thousand dollars because of injury to or destruction of property of others in any one accident.

3. Such operator's policy of liability insurance shall insure the person named as insured therein against loss from the liability imposed upon the person by law for damages arising out of the use by the person of any motor vehicle not owned by the person, within the same territorial limits and subject to the same limits of liability as are set forth above with respect to an owner's policy of liability insurance.

4. Such motor vehicle liability policy shall state the name and address of the named insured, the coverage afforded by the policy, the premium charged therefor, the policy period, and the limits of liability, and shall contain an agreement or be endorsed that insurance is provided thereunder in accordance with the coverage defined in [this chapter](#) as respects bodily injury and death or property damage, or both, and is subject to all the provisions of [this chapter](#).

5. Such motor vehicle liability policy need not insure any liability under any workers' compensation law nor any liability on account of bodily injury to or death of an employee of the insured while engaged in the employment, other than domestic, of the insured, or while engaged in the operation, maintenance, or repair of any such motor vehicle nor any liability for damage to property owned by, rented to, in charge of, or transported by the insured.

6. Every motor vehicle liability policy shall be subject to the following provisions which need not be contained therein:

a. The liability of the insurance carrier with respect to the insurance required by [this chapter](#) shall become absolute whenever injury or damage covered by said motor vehicle liability policy occurs; said policy may not be canceled or annulled as to such liability by any agreement between the insurance carrier and the insured after the occurrence of the injury or damage; no statement made by the insured or on the insured's behalf and no violation of said policy shall defeat or void said policy.

b. The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the insurance carrier to make payment on account of such injury or damage.

c. The insurance carrier shall have the right to settle any claim covered by the policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability specified in paragraph "b" of [subsection 2 of this section](#).

d. The policy, the written application therefor, if any, and any rider or endorsement which does not conflict with the provisions of the chapter shall constitute the entire contract between the parties.

7. Any policy which grants the coverage required for a motor vehicle liability policy may also grant any lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy and such excess or additional coverage shall not be subject to the provisions of [this chapter](#). With respect to a policy which grants such excess or additional coverage the term "*motor vehicle liability policy*" shall apply only to that part of the coverage which is required by [this section](#).

8. Any motor vehicle liability policy may provide that the insured shall reimburse the insurance carrier for any payment the insurance carrier would not have been obligated to make under the terms of the policy except for the provisions of [this chapter](#).

9. Any motor vehicle liability policy may provide for the prorating of the insurance thereunder with other valid and collectible insurance.

10. The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance carriers which policies together meet such requirements.

11. Any binder issued pending the issuance of a motor vehicle liability policy shall be deemed to fulfill the requirements for such a policy.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.21]

Referred to in [§321.1](#), [321A.13](#)

321A.22 Notice of cancellation or termination of certified policy.

When an insurance carrier has certified a motor vehicle liability policy under [section 321A.19](#) or [section 321A.20](#), the insurance so certified shall not be canceled or terminated until at least ten days after a notice of cancellation or termination of the insurance so certified shall be filed in the office of the department, except that such a policy subsequently procured and certified shall, on the effective date of its certification, terminate the insurance previously certified with respect to any motor vehicle designated in both certificates.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.22]

[92 Acts, ch 1175, §43](#)

Referred to in [§321A.13](#)

321A.23 Chapter not to affect other policies.

1. [This chapter](#) shall not be held to apply to or affect policies of automobile insurance against liability which may be required by any other law of this state, and such policies, if they contain an agreement or are endorsed to conform with the requirements of [this chapter](#), may be certified as proof of financial responsibility under [this chapter](#).

2. [This chapter](#) shall not be held to apply to or affect policies insuring solely the insured named in the policy against liability resulting from the maintenance or use by persons in the insured's employ or on the insured's behalf of motor vehicles not owned by the insured.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.23]

[2021 Acts, ch 80, §182](#)

Referred to in [§321A.13](#)

Subsection 1 amended

321A.24 Bond as proof.

1. *a.* Proof of financial responsibility may be evidenced by the bond of a surety company duly authorized to transact business within this state, or a bond with at least two individual sureties each owning real estate within this state, and together having equities equal in value to at least twice the amount of the bond, which real estate shall be scheduled in the bond approved by a judge or clerk of the district court, and which bond shall be conditioned for payment of the amounts specified in [section 321A.1, subsection 11](#).

b. The bond shall be filed with the department and is not cancelable except after ten days' written notice to the department. The director shall issue to the person filing the bond a bond insurance card for each motor vehicle registered by the person in the state. The bond insurance card shall state the name and address of the person and the motor vehicle registration number of the vehicle for which the card is issued.

c. The bond constitutes a lien in favor of the state upon the real estate so scheduled of any surety, which lien exists in favor of any holder of a final judgment against the person who has filed the bond, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damage because of injury to or destruction of property, including the loss of use of the property, resulting from the ownership, maintenance, use, or operation of a motor vehicle after the bond was filed, upon the filing of notice to that effect by the department in the office of the proper clerk of the district court of the county where the real estate is located. An individual surety scheduling real estate security shall furnish satisfactory evidence of title to the property and the nature and extent of all encumbrances on the property and the value of the surety's interest in the property, in the manner the judge or clerk of the district court approving the bond requires. The notice filed by the department shall contain, in addition to any other matters deemed by the department to be pertinent, a legal description of the real estate scheduled, the name of the holder of the record title, the amount for which it stands as security, and the name of the person in whose behalf proof is so being made. Upon the filing of the notice the clerk of the district court shall retain the notice as part of the records of the court and enter upon the encumbrance book the date and hour

of filing, the name of the surety, the name of the record titleholder, the description of the real estate, and the further notation that a lien is charged on the real estate pursuant to the filed notice. From and after the entry of the notice upon the encumbrance book all persons are charged with notice of it.

d. If the bond is canceled, the person who filed the bond shall surrender to the director all bond insurance cards issued to the person.

2. If such a judgment, rendered against the principal on such bond shall not be satisfied within sixty days after it has become final, the judgment creditor may, for the judgment creditor's own use and benefit and at the judgment creditor's sole expense, bring an action or actions in the name of the state against the company or persons executing such bond, including an action or proceeding to foreclose any lien that may exist upon the real estate of a person who has executed such bond. An action to foreclose any lien upon real estate scheduled by any surety under the provisions of [this chapter](#) shall be by equitable proceeding in the same manner as is provided for the foreclosure of real estate mortgages.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.24]

[92 Acts, ch 1175, §43](#); [97 Acts, ch 139, §8, 17, 18](#); [98 Acts, ch 1121, §8](#)

Referred to in [§321.1](#), [321A.13](#), [321A.18](#), [602.8102\(54\)](#)

321A.25 Certificate of deposit as proof.

1. Proof of financial responsibility may be evidenced by filing with the department fifty-five thousand dollars in the form of a certificate of deposit made payable to the department. The certificate of deposit shall be obtained from an Iowa financial institution in the amount of fifty-five thousand dollars plus any early withdrawal penalty fee. Upon receipt of the certificate of deposit, the department shall issue to the person a security insurance card for each motor vehicle registered in this state by the person. The security insurance card shall state the name and address of the person and the registration number of the motor vehicle for which the card is issued. The department shall not accept a certificate of deposit unless accompanied by evidence that there are no unsatisfied judgments of any character against the person in the county where the person resides.

2. Such certificate of deposit shall be held by the department to satisfy, in accordance with [this chapter](#), any execution on a judgment issued against the person filing the certificate of deposit, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use of property, resulting from the ownership, maintenance, use, or operation of a motor vehicle after the certificate of deposit was filed. A certificate of deposit so filed shall not be subject to attachment or execution unless the attachment or execution arises out of a suit for damages as previously provided in [this subsection](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.25]

[92 Acts, ch 1175, §43](#); [97 Acts, ch 139, §9, 17](#); [2000 Acts, ch 1025, §3, 6](#); [2013 Acts, ch 37, §3](#)

Referred to in [§321.1](#), [321A.13](#), [321A.18](#)

321A.26 Owner may give proof for others.

Whenever any person required to give proof of financial responsibility under [this chapter](#) is or later becomes an operator in the employ of any owner, or is or later becomes a member of the immediate family or household of the owner, the department shall accept proof given by such owner in lieu of proof by such other person to permit such other person to operate a motor vehicle for which the owner has given proof as provided in [this subchapter](#) or has qualified as a self-insurer under [section 321A.34](#). The department shall designate the restrictions imposed by [this section](#) on the face of such person's license.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.26]

[92 Acts, ch 1175, §43](#); [2020 Acts, ch 1063, §161](#)

Referred to in [§321A.13](#), [321A.33](#)

321A.27 Substitution of proof.

The department shall consent to the cancellation of a bond or certificate of insurance or the department shall return a certificate of deposit to the person entitled to the certificate

of deposit upon the substitution and acceptance of other adequate proof of financial responsibility pursuant to [this chapter](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.27]

[92 Acts, ch 1175, §43](#); [2000 Acts, ch 1025, §4, 6](#); [2013 Acts, ch 37, §4](#)

Referred to in [§321A.13](#)

321A.28 Other proof may be required.

Whenever any proof of financial responsibility filed under the provisions of [this chapter](#) no longer fulfills the purposes for which required, the department shall for the purpose of [this chapter](#), require other proof as required by [this chapter](#) and shall suspend the license and registration or the nonresident's operating privilege pending the filing of such other proof.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.28]

[92 Acts, ch 1175, §43](#)

Referred to in [§321A.13](#)

321A.29 Duration of proof — when proof may be canceled or returned.

1. The department shall upon request consent to the immediate cancellation of a bond or certificate of insurance, or the department shall return to the person entitled thereto a certificate of deposit filed pursuant to [this chapter](#) as proof of financial responsibility, or the department shall waive the requirement of filing proof, in any of the following events:

a. At any time after two years from the date such proof was required when, during the two-year period preceding the request, the department has not received record of a conviction or a forfeiture of bail which would require or permit the suspension or revocation of the license, registration, or nonresident's operating privilege of the person by or for whom such proof was furnished.

b. In the event of the death of the person on whose behalf such proof was filed or the permanent incapacity of such person to operate a motor vehicle.

c. In the event the person who has given proof surrenders the person's license and registration to the department.

2. The department shall not consent to the cancellation of a bond or return a certificate of deposit in the event an action for damages upon a liability covered by such proof is then pending or a judgment upon any such liability is unsatisfied, or in the event the person who has filed such bond or such certificate of deposit has within one year immediately preceding such request been involved as an operator or owner in any motor vehicle accident resulting in injury or damage to the person or property of others. An affidavit of the applicant as to the nonexistence of such facts, or that the applicant has been released from all of the applicant's liability, or has been finally adjudicated not to be liable, for such injury or damage, shall be sufficient evidence thereof in the absence of evidence to the contrary in the records of the department.

3. If a person whose proof has been canceled or returned under [subsection 1](#), paragraph "c", applies for a license or registration within a period of two years from the date proof was originally required, such application shall be refused unless the applicant reestablishes proof for the remainder of the two-year period.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.29]

[92 Acts, ch 1175, §43](#); [2000 Acts, ch 1025, §5, 6](#); [2013 Acts, ch 37, §5, 6](#)

Referred to in [§321.12](#), [321A.13](#)

SUBCHAPTER V

VIOLATIONS OF CHAPTER — PENALTIES

321A.30 Rights not affected.

[This chapter](#) shall not prevent the owner of a motor vehicle, the registration of which has been suspended under [this chapter](#), from effecting a bona fide sale of such motor vehicle to another person whose rights or privileges are not suspended under [this chapter](#) nor prevent the registration of such motor vehicle by such transferee. [This chapter](#) shall not in any way

affect the rights of any secured party or lessor of a motor vehicle registered in the name of another as owner who becomes subject to the provisions of [this chapter](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.30]

[2016 Acts, ch 1011, §53](#); [2021 Acts, ch 80, §183](#)

Section amended

321A.31 Surrender of license and registration.

Any person whose license or registration has been suspended as provided in [this chapter](#), or whose policy of insurance or bond, when required under [this chapter](#), has been canceled or terminated, or who neglects to furnish other proof upon request of the department shall immediately return the person's license and registration to the department. If any person fails to return to the department the license or registration as provided in [this section](#), the department shall forthwith direct any peace officer to secure possession and to return the license or registration to the department.

[C31, 35, §5079-c4; C39, §5021.01; C46, §321.275; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.31]

[92 Acts, ch 1175, §43](#); [2020 Acts, ch 1063, §162](#)

Referred to in [§321.12](#), [321A.32](#)

321A.32 Other violations — penalties.

1. Any person whose license or registration or nonresident's operating privilege has been suspended, denied, or revoked under [this chapter](#) or continues to remain suspended or revoked under [this chapter](#), and who, during such suspension, denial, or revocation, or during such continuing suspension or continuing revocation, drives any motor vehicle upon any highway or knowingly permits any motor vehicle owned by such person to be operated by another upon any highway, except as permitted under [this chapter](#), shall be guilty of a simple misdemeanor. In addition to any other penalties, the punishment imposed for a violation of [this subsection](#) shall include assessment of a fine of not less than two hundred fifty dollars nor more than one thousand five hundred dollars.

2. Any person willfully failing to return license or registration as required in [section 321A.31](#) shall be guilty of a simple misdemeanor.

3. A person who forges or, without authority, signs a notice provided for under [section 321A.5](#) that a policy or bond is in effect, or any evidence of financial responsibility, or any evidence of financial liability coverage as defined in [section 321.1](#), or who files or offers for filing any such notice or evidence knowing or having reason to believe that it is forged or signed without authority, is guilty of a serious misdemeanor.

4. Any person who shall violate any provision of [this chapter](#) for which no penalty is otherwise provided shall be guilty of a serious misdemeanor.

[C31, 35, §5079-c7; C39, §5021.05; C46, §321.279; C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.32]

[84 Acts, ch 1142, §2](#); [97 Acts, ch 139, §10, 17, 18](#); [98 Acts, ch 1121, §8](#); [99 Acts, ch 153, §5](#)

Referred to in [§321.241](#), [321J.4B](#), [321N.3](#), [901C.3](#)

321A.32A Civil penalty — disposition — reinstatement. Repealed by 2020 Acts, ch 1074, §54, 93.

SUBCHAPTER VI

GENERAL PROVISIONS

321A.33 Exceptions.

[This chapter](#) does not apply to any motor vehicle owned by the United States, this state, or any political subdivision of this state or to any operator, except for [section 321A.4](#), while on

official duty operating such motor vehicle. [This chapter](#) does not apply, except for [sections 321A.4](#) and [321A.26](#), to any motor vehicle which is subject to [section 325A.6](#).

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.33; [82 Acts, ch 1150, §1](#)
[98 Acts, ch 1100, §49](#); [2008 Acts, ch 1031, §112](#)

321A.34 Self-insurers.

1. *a.* Any person in whose name more than twenty-five motor vehicles are registered may qualify as a self-insurer by obtaining a certificate of self-insurance issued by the department as provided in paragraph “b”.

b. The department may, upon the application of such a person, issue a certificate of self-insurance if the department is satisfied that the person has and will continue to have the ability to pay judgments obtained against the person for damages arising out of the ownership, maintenance, or use of any vehicle owned by the person. A person issued a certificate of self-insurance pursuant to [this subsection](#) shall maintain a financial liability coverage card as provided in [section 321.20B, subsection 2](#), paragraph “b”, subparagraph (1).

2. *a.* Any association of individual members that is a legal entity with the power to sue and be sued in its own name and which is composed of individual members in whose names a total of more than twenty-five motor vehicles are registered, may qualify as a self-insurer by obtaining a certificate of insurance issued by the department as provided in paragraph “b”.

b. The department may, upon the application of such an association, issue a certificate of self-insurance if the department is satisfied that the association has and will continue to have the ability to pay judgments obtained against the association or against an individual member of the association for damages arising out of the ownership, maintenance, or use of any vehicle owned by an individual member of the association. An association issued a certificate of self-insurance pursuant to this paragraph shall maintain a financial liability coverage card as provided in [section 321.20B, subsection 2](#), paragraph “b”, subparagraph (2).

3. Upon not less than five days’ notice and a hearing pursuant to the notice, the department may upon reasonable grounds cancel a certificate of self-insurance. Failure to pay a judgment for damages arising out of the ownership, maintenance, or use of any vehicle owned by the self-insurer within thirty days after the judgment becomes final constitutes a reasonable ground for the cancellation of a certificate of self-insurance. Upon the cancellation of a certificate of self-insurance, the person who was issued the certificate shall surrender to the director all self-insurance cards issued to the person.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.34]

[92 Acts, ch 1175, §43](#); [97 Acts, ch 139, §11, 17](#); [2007 Acts, ch 215, §108](#)

Referred to in [§321.1](#), [321.20B](#), [321A.5](#), [321A.26](#)

321A.35 Reserved.

321A.36 Chapter not to prevent other process.

Nothing in [this chapter](#) shall be construed as preventing the plaintiff in any action at law from relying for relief upon the other processes provided by law.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.36]

321A.37 Uniformity of interpretation.

[This chapter](#) shall be so interpreted and construed as to effectuate its general purpose to make uniform the laws of those states which enact it.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.37]

321A.38 Title of chapter.

[This chapter](#) may be cited as the “*Motor Vehicle Financial and Safety Responsibility Act*”.

[C50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.38]

321A.39 Liability insurance — statement.

1. Whenever any dealer licensed under [chapter 322](#) sells a motor vehicle at retail and the transaction does not include the sale of liability insurance coverage which will protect the

purchaser under [this chapter](#) the purchase order or invoice evidencing the transaction shall contain a statement in the following form:

I understand that liability insurance coverage which would protect me under the Iowa Motor Vehicle Financial and Safety Responsibility Act, Iowa Code [chapter 321A](#), IS NOT INCLUDED in my purchase of the herein described motor vehicle. I have received a copy of this statement.

.....
(Purchaser's signature)

2. The seller shall print or stamp the statement conspicuously on the purchase order or invoice. The statement shall be signed by the purchaser in the space provided on or before the date of delivery of the motor vehicle described in the purchase order or invoice and a copy of the statement shall be given to the purchaser by the seller.

3. No civil liability shall arise on account of the failure of any person to comply with the provisions of [this section](#).

4. Any person violating any provisions of [this section](#) shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding fifty dollars.

[C54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §321A.39]

[2005 Acts, ch 8, §37](#); [2009 Acts, ch 133, §225](#); [2015 Acts, ch 30, §105](#)