

571—50.3(462A) Bond required before issuance of title or registration.

50.3(1) Procedures. An applicant for certificate of title who cannot provide the supporting documents required in 571—Chapters 46 and 47 (implementing Iowa Code chapters 321G and 321I) shall be required to complete the following procedures as a condition to obtaining a title and registration. The procedures described are in addition to the regular procedures for titling and registering a vessel.

a. The applicant shall submit a request form to the department on a form provided by the department. The request form shall include a copy of the written proof of ownership at the time the vessel was acquired.

b. The applicant shall contact the department and provide identifying information in regard to the vessel. The required identifying information shall include the manufacturer identification number; registration sticker (if affixed to the regulated vessel); photographs of the vessel that show the front, rear, and one side of the vessel; and any additional information about the vessel as may be requested by the department. If no manufacturer identification number is currently affixed to the vessel, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed before the applicant may proceed with the registration application process set forth in this chapter.

50.3(2) Investigation. The department, upon receipt of sufficient identifying information from an applicant, shall:

a. Search the department's registration records to determine whether there is an owner of record for the vessel and whether the vessel has been reported stolen or embezzled;

b. If the department finds a record of prior ownership in the department's registration records, mail the release of ownership and rights to the vessel by first-class mail to the owner of record at the owner's last-known address. The notice shall state that the owner of record may assert the owner's right to claim the vessel.

50.3(3) Letter of release. Upon receipt of the letter of release by the last registered owner or legal representative, the department may:

a. Provide approval notification to the applicant and the county recorder that there is sufficient evidence to indicate that the applicant is the rightful owner and that there is no known unsatisfied security interest, so the vessel may be registered and titled in Iowa.

b. Notify the appropriate authorities of the owner's claim to the vessel. No further action will be completed by the department.

50.3(4) Letter of release.

a. If the department receives no response from the owner of record within 30 days after the date of mailing or if the post office returns the notice to the department as undeliverable, the department will continue processing the bond request.

b. The department will determine the current retail value for the same type of vessel for which the registration is being sought with documentation from J.D. Power (formerly NADA) or Kelley Blue Book or through competitive pricing found on the Internet, or the applicant may submit an appraisal of the vessel by a licensed vessel dealer.

(1) If the current retail value of the vessel is \$1,000 or less as determined by the department and is over 15 years old, the department may allow the registration of the vehicle.

(2) If the current retail value of the vessel as determined by the department is more than \$1,000, the department will notify the applicant that the following requirements are needed to proceed with the bonding process:

1. A completed registration application form (as provided by the department).

2. Inspection of the vessel by a representative of the department, with a signature required on the registration application form.

3. A complete surety bond form (as provided by the department).

50.3(5) Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the vessel may be registered and titled in Iowa.

50.3(6) Disapproval. If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an

unsatisfied security interest, or that the owner of record asserts a claim for the vessel, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s).

[ARC 9225C, IAB 5/14/25, effective 6/18/25]