

571—50.2 (321G,321I) Bond required before issuance of title or registration. If the county recorder or the department is not satisfied as to the ownership of the regulated vehicle or that there are no undisclosed security interests in the regulated vehicle, the recorder or the department shall require completion of the following procedures prior to issuing title and registration:

50.2(1) Identification. The applicant shall contact the department and provide identifying information in regard to the regulated vehicle. The required identifying information shall include the identification number and such additional information about the regulated vehicle as may be requested by the department. If no identification number is currently affixed to the regulated vehicle, 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 application process set forth in this chapter.

50.2(2) Records search. Upon receipt of sufficient identifying information from an applicant, the department shall:

a. Search the department's registration records to determine if there is an owner of record for the regulated vehicle and if the regulated vehicle has been reported stolen; and

b. Notify the applicant, orally or in writing, in regard to whether a record of prior ownership has been located and, if so, provide the name and last-known address of the owner of record.

50.2(3) Examination. At any time after being contacted by the applicant and before approval of an application, the department may examine the regulated vehicle.

50.2(4) Notice to owner of record. If the department finds a record of prior ownership in the department's registration records, the department shall provide the applicant with a bonding packet containing instructions that describe how to complete the bonding process. The packet shall include a notice to the owner of record and a certified mail envelope, return receipt requested, with a return address of the department. The notice shall state that the owner of record may assert the owner's right to claim the regulated vehicle. If neither the applicant nor the department receives a response from the owner of record within ten days after receipt of notice or the post office returns the notice to the applicant or the department as undeliverable or unclaimed, the department will continue processing the bond application.

50.2(5) Submission of application. To register the regulated vehicle, the applicant must submit the appropriate forms and fees described in 571—Chapter 46. In addition, the application shall include a statement obtained from an Iowa-registered dealer for the same type of regulated vehicle for which the value is being sought or documentation from the North American Dealers' Association indicating the current value of the regulated vehicle. In addition to the appropriate application form required under 571—Chapter 46, the following documents shall be submitted with the application form:

a. Photographs of the regulated vehicle which show the front, rear, and one side of the regulated vehicle.

b. The written ownership document received at the time that the regulated vehicle was acquired.

c. Satisfactory proof of the regulated vehicle identification number or DNR Form 542-8065. Examples of what constitutes satisfactory proof include, without limitation, corresponding photographs of the vehicle identification number and the vehicle or a readable pencil rubbing of the vehicle identification number.

d. The undeliverable or unclaimed certified letter and envelope addressed to the previous owner or the signed certified mail receipt, if available, if a record of prior ownership was located by the department.

e. A surety bond on DNR Form 542-8092 in an amount equal to one and one-half times the current value of the regulated vehicle, if required.

50.2(6) 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 regulated vehicle may be registered and titled in Iowa.

50.2(7) 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 regulated

vehicle, 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).

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