

House File 777

S-5110

1 Amend House File 777, as passed by the House, as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <Section 1. Section 321.52, subsection 4, paragraph a, Code
5 2026, is amended to read as follows:

6 a. (1) Notwithstanding any other provision of law to the
7 contrary, an insurer may apply for and be issued a salvage
8 certificate of title for a motor vehicle without surrendering
9 the certificate of title or manufacturer's or importer's
10 statement of origin properly assigned if ownership of the
11 vehicle was transferred, or will transfer, to the insurer
12 pursuant to a settlement with the previous owner of the vehicle
13 arising from circumstances involving damage to the vehicle, and
14 at least thirty days have expired since the effective date of
15 such settlement.

16 (2) To obtain a salvage certificate of title pursuant to
17 this paragraph "a", the insurer ~~shall~~ must submit an application
18 for a salvage certificate of title to any county treasurer.

19 (a) The application ~~shall~~ must be accompanied by an
20 affidavit from the insurer in which the insurer certifies it
21 has made at least two written attempts to obtain a properly
22 assigned certificate of title or manufacturer's or importer's
23 statement of origin for the vehicle by contacting the previous
24 owner of the vehicle and all lienholders of record by certified
25 mail or a similar service that provides proof of service using
26 a return receipt, and has been unable to obtain the title
27 or statement of origin. The failure of a previous owner or
28 lienholder to provide a properly assigned certificate of title
29 or manufacturer's or importer's statement of origin shall be
30 deemed to be a waiver by the previous owner or lienholder of
31 all rights, title, claim, and interest in the vehicle.

32 (b) Notwithstanding chapter 9B, section 633B.105, or
33 any other provision to the contrary, a supporting document
34 submitted with the application, including but not limited to a
35 power of attorney described in section 321.49, a replacement

1 certificate of title application for the vehicle owner
2 described in section 321.42, or an odometer statement required
3 under section 321.71 if permitted under 49 C.F.R. pt. 580, may
4 be signed and affirmed under penalty of perjury in lieu of a
5 notarized signature and, in accordance with chapter 554D, the
6 signature may be electronic. The affirmation under penalty of
7 perjury is limited to the signature identifying the signer as
8 the owner or the signer's representation of the authority of
9 the named agent to sign on the owner's behalf.

10 (c) The application ~~shall~~ must also be accompanied by the
11 application fee required under paragraph "b", and proof of
12 payment of the total amount of the settlement by the insurer
13 to the previous owner of the vehicle. Upon receiving an
14 application that complies with this paragraph "a", the county
15 treasurer shall issue a salvage certificate of title to the
16 insurer which ~~shall be~~ is free and clear of all liens and
17 claims of ownership and ~~shall~~ must bear the word "SALVAGE"
18 stamped or printed on the face of the title in a manner
19 prescribed by the department.

20 (d) The insurer shall indemnify and hold harmless the
21 department or a county treasurer, as applicable, for any
22 claims resulting from issuing a certificate of title, salvage
23 certificate of title, or junking certificate, or the addition
24 or release of a lien from a title pursuant to this subparagraph
25 (2). The insurer shall indemnify the vehicle owner by up to
26 two times the actual cash value of the vehicle settlement for
27 any damages resulting from use of the electronic signature in
28 accordance with this subparagraph (2).

29 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,
30 2027.>

COMMITTEE ON TRANSPORTATION
DAN ZUMBACH, CHAIRPERSON