

House File 2485 - Enrolled

House File 2485

AN ACT

RELATING TO MOTOR VEHICLE DEALERS, INCLUDING RIGHTS TO CERTAIN VEHICLES, RECORDS STORAGE REQUIREMENTS, AND REMOTE SALES OF MOTOR VEHICLES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 321.45, subsection 2, Code 2026, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* For purposes of this subsection, a motor vehicle dealer licensed under chapter 322 shall be deemed to have acquired and to possess the right, title, claim, and interest in a vehicle if the vehicle's certificate of title is issued or properly assigned to an entity with direct ownership or control over the dealer.

Sec. 2. Section 321.63, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 3. A dealer shall do all of the following:

a. Store all records at a place of business of the dealer or at a place of business within the United States of an entity that has direct ownership or control over the dealer.

b. Provide electronic records to the department within twenty-four hours after receiving a request.

c. Provide physical records to the department within a reasonable time considering postal delivery.

Sec. 3. Section 322.3, subsection 12, paragraphs a and c, Code 2026, are amended to read as follows:

a. The dealer or an entity with direct ownership or control over the dealer shall possess, at the time of the sale, the certificate of title to any motor vehicle offered for remote sale by the dealer. The certificate of title may be in an electronic format that is created, stored, or transferred only through a secure electronic system approved by the department and shall not be in a portable document format, a scanned copy, evidenced by an electronic mail message, or in another format created by the dealer.

~~c. The dealer shall not sign a proposed purchase agreement until the dealer receives an executed purchase agreement from the buyer.~~ A signed purchase agreement must be delivered to the dealer's place of business, as listed on the dealer's license.

Sec. 4. Section 322.3, subsection 12, Code 2026, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *f.* The dealer shall disclose to a buyer all of the following regarding the vehicle offered for sale:

(1) That the vehicle is not located in this state, if applicable.

(2) That the certificate of title is in an electronic format, if applicable.

(3) The estimated delivery date of the vehicle.

NEW PARAGRAPH. *g.* If requested, the dealer shall produce proof, including in an electronic format, to the department that the dealer has the certificate of title for a vehicle offered for sale. The dealer shall also retain records showing where a vehicle is stored, the status of the vehicle's title, and documents relating to the remote sale of a vehicle. The dealer shall store and provide records in accordance with section 321.63, subsection 3.

NEW PARAGRAPH. *h.* Pursuant to section 554D.108 and consistent with 49 C.F.R. pt. 580 and the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §7001 et seq., an electronic signature captured and applied to an image of a physical certificate of title that was originally printed by a secure printing process as defined in 49 C.F.R. §580.3, which complies with all applicable requirements under 49 C.F.R. pt. 580, shall be accepted for purposes of odometer disclosure. A dealer using an electronic signature on a

digital image of a physical title shall mark the original title as "void" or "surrendered" and submit an application for certificate of title and registration electronically via an authorized service provider pursuant to section 321.20, subsection 2.

NEW PARAGRAPH. *i.* A remote sale of a motor vehicle is not a door-to-door sale as defined in section 555A.1, and is not subject to chapter 555A.

PAT GRASSLEY
Speaker of the House

AMY SINCLAIR
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2485, Ninety-first General Assembly.

MEGHAN NELSON
Chief Clerk of the House

Approved _____, 2026

KIM REYNOLDS
Governor