

May 10, 1967  
Passed On File  
*Motor Vehicles 5-23, Pass 5-25*

Senate File 789

By COMMITTEE ON  
TRANSPORTATION

Passed Senate, Date 5-23-67 Passed House, Date 6-14-67  
Vote: Ayes 54 Nays 2 Vote: Ayes 102 Nays 8  
Approved June 26, 1967

## A BILL FOR

An Act relating to requiring a Bond of motor vehicle dealers engaged in the sale of vehicles for which a Certificate of Title is required.

*Be It Enacted by the General Assembly of the State of Iowa:*

1 Section 1. Subsection seven (7) of Section three hundred  
2 twenty-two point four (322.4), Code 1966, is hereby repealed  
3 and the following enacted in lieu thereof:

4 "Before the issuance of a motor vehicle dealer's license  
5 to a dealer engaged in the sale of vehicles for which a Certi-  
6 ficate of Title is required, under the provisions of Chapter  
7 three hundred twenty-one (321), the applicant for such license  
8 shall furnish a surety bond executed by the applicant as prin-  
9 cipal and executed by a corporate surety company, licensed and  
10 qualified to do business within this state, which bond shall  
11 run to the state of Iowa, be in the amount of ten thousand  
12 dollars and be conditioned upon the faithful compliance by  
13 said applicant as a dealer, if the license be issued to it or  
14 him, that such dealer will comply with all of the statutes  
15 of this state regulating or being applicable to the business  
16 of said dealer as a dealer in motor vehicles, and indemnifying  
17 any person dealing or transacting business with said dealer  
18 in connection with any motor vehicle from any loss or damage  
19 occasioned by the failure of such dealer to comply with any  
20 of the provisions of Chapters three hundred twenty-one (321)  
21 and three hundred twenty-two (322), including, but not limited

22 to, the furnishing of a proper and valid Certificate of Title  
23 to the motor vehicle involved in any such transaction, and  
24 that such bond shall be filed with the department prior to the  
25 issuance of license provided by law. The aggregate liability  
26 of the surety of all persons, however, shall in no event exceed  
27 the amount of said bond."

1 Amend Senate File 789 by adding thereto the following  
2 section:  
3 "The provisions of this act shall apply to motor vehicle  
4 dealers licenses issued for the year 1968 and for each year  
5 thereafter."

Filed - *Adopted 5-23-67*  
May 17, 1967

By KYHL

1 Amend Senate File 789 by striking the word "repealed"  
2 in line two (2) and all of line three (3) and inserting  
3 in lieu thereof the following: "amended by adding the  
4 following:".

Filed and adopted  
May 23, 1967

By RIGLER