

Reprinted

S-4/4/95 Transportation

MAR 21 1995
Place On Calendar

HOUSE FILE 504
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 227)

Passed House, Date ^(P.1165) 4/3/95 Passed Senate, Date 4/10/95 (P.1103)
Vote: Ayes 87 Nays 11 Vote: Ayes 50 Nays 0
Approved May 1, 1995

A BILL FOR

1 An Act relating to a motor vehicle owner's liability for damages
2 caused by the driver.

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

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HF 504

1 Section 1. Section 321.493, Code 1995, is amended to read
2 as follows:

3 321.493 LIABILITY FOR DAMAGES.

4 1. In all cases where damage is done by any motor vehicle
5 by reason of negligence of the driver, and driven with the
6 consent of the owner, the owner of the motor vehicle shall be
7 liable for such damage. For purposes of this subsection,
8 "owner" means the person to whom the certificate of title for
9 the vehicle has been issued or assigned or to whom a
10 manufacturer's or importer's certificate of origin for the
11 vehicle has been delivered or assigned. However, if the
12 vehicle is leased, "owner" means the person to whom the
13 vehicle is leased, not the person to whom the certificate of
14 title for the vehicle has been issued or assigned or to whom
15 the manufacturer's or importer's certificate of origin for the
16 vehicle has been delivered or assigned.

17 2. A person who has made a bona fide sale or transfer of
18 the person's right, title, or interest in or to a motor
19 vehicle and who has delivered possession of ~~such~~ the motor
20 vehicle to the purchaser or transferee shall not be liable for
21 any damage thereafter resulting from negligent operation of
22 ~~such~~ the motor vehicle by another, but the purchaser or
23 transferee to whom possession was delivered shall be deemed
24 the owner. The provisions of subsection 2 of section 321.45
25 shall not apply in determining, for the purpose of fixing
26 liability ~~hereunder~~ under this subsection, whether such sale
27 or transfer was made.

28 EXPLANATION

29 Section 321.493 currently provides that where damage is
30 done by any motor vehicle due to the negligence of the driver
31 and the motor vehicle was driven with the consent of the
32 owner, the owner of the motor vehicle is liable for the
33 resulting damage. This bill provides that "owner" means the
34 person to whom the certificate of title has been issued or
35 assigned or to whom a manufacturer's or importer's certificate

1 of origin for the vehicles has been delivered or assigned and
2 provides that the lessee of a motor vehicle is considered the
3 owner of the motor vehicle for purposes of section 321.493.

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S-4/4/95 Transportation
S-4/9/95 Amend + Do Pass

HOUSE FILE 504
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 227)

(As Amended and Passed by the House April 3, 1995)

Passed House, ^(p.1699) Date 4/19/95 Passed Senate, Date 4/10/95 (p.1103)
Vote: Ayes 97 Nays 0 Vote: Ayes 50 Nays 0
Approved May 1, 1995

A BILL FOR

1 An Act relating to a motor vehicle owner's liability for damages
2 caused by the driver.

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

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House Amendments _____

1 Section 1. Section 321.493, Code 1995, is amended to read
2 as follows:

3 321.493 LIABILITY FOR DAMAGES.

4 1. In all cases where damage is done by any motor vehicle
5 by reason of negligence of the driver, and driven with the
6 consent of the owner, the owner of the motor vehicle shall be
7 liable for such damage. For purposes of this subsection,
8 "owner" means the person to whom the certificate of title for
9 the vehicle has been issued or assigned or to whom a
10 manufacturer's or importer's certificate of origin for the
11 vehicle has been delivered or assigned. However, if the
12 vehicle is leased, "owner" means the person to whom the
13 vehicle is leased, not the person to whom the certificate of
14 title for the vehicle has been issued or assigned or to whom
15 the manufacturer's or importer's certificate of origin for the
16 vehicle has been delivered or assigned. For purposes of this
17 subsection, "leased" means the transfer of the possession or
18 right to possession of a vehicle to a lessee for a valuable
19 consideration for a continuous period of twelve months or
20 more, pursuant to a written agreement.

21 2. A person who has made a bona fide sale or transfer of
22 the person's right, title, or interest in or to a motor
23 vehicle and who has delivered possession of ~~such~~ the motor
24 vehicle to the purchaser or transferee shall not be liable for
25 any damage thereafter resulting from negligent operation of
26 ~~such~~ the motor vehicle by another, but the purchaser or
27 transferee to whom possession was delivered shall be deemed
28 the owner. The provisions of subsection 2 of section 321.45
29 shall not apply in determining, for the purpose of fixing
30 liability ~~hereunder~~ under this subsection, whether such sale
31 or transfer was made.

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HOUSE FILE 504

H-3454

1 Amend House File 504 as follows:
2 1. Page 1, line 16, by inserting after the word
3 "assigned." the following: "For purposes of this
4 subsection, "leased" means the transfer of the
5 possession or right to possession of a vehicle to a
6 lessee for a valuable consideration for a continuous
7 period of twelve months or more, pursuant to a written
8 agreement."

By HEATON of Henry

H-3454 FILED MARCH 23, 1995

*Adopted 4/3/95
(P. 1164)*

SENATE AMENDMENT TO HOUSE FILE 504

H-3834

1 Amend House File 504 as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting after line 31 the
4 following:
5 "Sec. ____ . Section 321A.1, subsection 8, Code
6 1995, is amended to read as follows:
7 8. OWNER. A "Owner" means a person who holds the
8 legal title of a motor vehicle, ~~or-in~~ however, if the
9 ~~event-a~~ motor vehicle is the subject of a security
10 agreement with a right of possession in the debtor,
11 ~~then-such~~ the debtor shall be deemed the owner for the
12 ~~purpose~~ purposes of this chapter or if the motor
13 vehicle is leased as defined in section 321.493, the
14 lessee shall be deemed the owner for purposes of this
15 chapter."

RECEIVED FROM THE SENATE

H-3834 FILED APRIL 10, 1995

House Concurred 4/19/95 (P. 1698)

HOUSE FILE 504

S-3368

1 Amend House File 504 as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting after line 31 the
4 following:
5 "Sec. ____ . Section 321A.1, subsection 8, Code
6 1995, is amended to read as follows:
7 8. OWNER. A "Owner" means a person who holds the
8 legal title of a motor vehicle, ~~or-in~~ however, if the
9 ~~event-a~~ motor vehicle is the subject of a security
10 agreement with a right of possession in the debtor,
11 ~~then-such~~ the debtor shall be deemed the owner for the
12 ~~purpose~~ purposes of this chapter or if the motor
13 vehicle is leased as defined in section 321.493, the
14 lessee shall be deemed the owner for purposes of this
15 chapter."

By COMMITTEE ON TRANSPORTATION
DON E. GETTINGS, Chairperson

S-3368 FILED APRIL 6, 1995

Adopted 4/10/95 (p. 1102)

HSB 227
TRANSPORTATION

HEATON, CHAIR
MORIN
COHOON

Succeeded By
HOUSE FILE 504
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON WELTER)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to a motor vehicle owner's liability for damages
2 caused by the driver.

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

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1 Section 1. Section 321.493, Code 1995, is amended to read
2 as follows:

3 321.493 LIABILITY FOR DAMAGES.

4 1. In all cases where damage is done by any motor vehicle
5 by reason of negligence of the driver, and driven with the
6 consent of the owner, the owner of the motor vehicle shall be
7 liable for such damage. However, the owner of a motor vehicle
8 shall not be liable under this subsection if the injured
9 person is precluded from recovering against the driver or the
10 owner under section 85.20.

11 2. A person who has made a bona fide sale or transfer of
12 the person's right, title, or interest in or to a motor
13 vehicle and who has delivered possession of such the motor
14 vehicle to the purchaser or transferee shall not be liable for
15 any damage thereafter resulting from negligent operation of
16 such the motor vehicle by another, but the purchaser or
17 transferee to whom possession was delivered shall be deemed
18 the owner. The provisions of subsection 2 of section 321.45
19 shall not apply in determining, for the purpose of fixing
20 liability hereunder under this subsection, whether such sale
21 or transfer was made.

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EXPLANATION

23 Section 321.493 currently provides that where damage is
24 done by any motor vehicle due to the negligence of the driver
25 and the motor vehicle was driven with the consent of the
26 owner, the owner of the motor vehicle is liable for the
27 resulting damage. This bill provides that the owner of the
28 motor vehicle is not liable if the injured person is precluded
29 from recovering against the driver or the owner under section
30 85.20. Section 85.20 provides that the rights and remedies of
31 an employee who receives workers' compensation, occupational
32 disease compensation, or occupational hearing loss benefits
33 under chapters 85, 85A, and 85B are the exclusive rights and
34 remedies of the employee against the employee's employer or
35 any other employee provided that the injury arose out of and

1 occurred in the course of the employment and was not caused by
2 the other employee's gross negligence amounting to such lack
3 of care as to constitute wanton neglect for the safety of
4 another.

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HOUSE FILE 504

AN ACT
RELATING TO A MOTOR VEHICLE OWNER'S LIABILITY FOR DAMAGES
CAUSED BY THE DRIVER.

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

Section 1. Section 321.493, Code 1995, is amended to read as follows:

321.493 LIABILITY FOR DAMAGES.

1. In all cases where damage is done by any motor vehicle by reason of negligence of the driver, and driven with the consent of the owner, the owner of the motor vehicle shall be liable for such damage. For purposes of this subsection, "owner" means the person to whom the certificate of title for the vehicle has been issued or assigned or to whom a manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. However, if the vehicle is leased, "owner" means the person to whom the vehicle is leased, not the person to whom the certificate of title for the vehicle has been issued or assigned or to whom the manufacturer's or importer's certificate of origin for the vehicle has been delivered or assigned. For purposes of this subsection, "leased" means the transfer of the possession or right to possession of a vehicle to a lessee for a valuable consideration for a continuous period of twelve months or more, pursuant to a written agreement.

2. A person who has made a bona fide sale or transfer of the person's right, title, or interest in or to a motor vehicle and who has delivered possession of such the motor vehicle to the purchaser or transferee shall not be liable for any damage thereafter resulting from negligent operation of such the motor vehicle by another, but the purchaser or transferee to whom possession was delivered shall be deemed the owner. The provisions of subsection 2 of section 321.45 shall not apply in determining, for the purpose of fixing

liability hereunder under this subsection, whether such sale or transfer was made.

Sec. 2. Section 321A.1, subsection 8, Code 1995, is amended to read as follows:

8. OWNER. A "Owner" means a person who holds the legal title of a motor vehicle, or-in however, if the event-a motor vehicle is the subject of a security agreement with a right of possession in the debtor, then-such the debtor shall be deemed the owner for the-purpose purposes of this chapter or if the motor vehicle is leased as defined in section 321.493, the lessee shall be deemed the owner for purposes of this chapter.

RON J. CORBETT
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 504, Seventy-sixth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved May 1, 1995

TERRY E. BRANSTAD
Governor