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JUDICIARY

SENATE FILE 2110
BY LAMBERTI

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

A BILL FOR

1 An Act requiring impoundment of a motor vehicle for certain motor
2 vehicle licensure and proof of financial responsibility
3 offenses.

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

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JUDICIARY
SC 2110

1 Section 1. Section 321.20B, subsection 4, paragraph a,
2 subparagraph (3), Code 2005, is amended by striking the
3 subparagraph.

4 Sec. 2. Section 321.20B, subsection 4, paragraph a,
5 subparagraph (4), Code 2005, is amended to read as follows:

6 (4) (a) ~~Issue~~ If the person has previously been charged
7 and cited for a violation of subsection 1 which was not
8 subsequently dismissed, issue a citation, remove the motor
9 vehicle's license plates and registration receipt, and impound
10 the motor vehicle. The peace officer shall deliver the plates
11 for destruction, as appropriate, and forward the registration
12 receipt and evidence of the violation, as determined by the
13 department, to the county treasurer of the county in which the
14 motor vehicle is registered.

15 (b) A motor vehicle which is impounded may be claimed by a
16 person if the owner provides proof of financial liability
17 coverage and proof of payment of any applicable fine, and the
18 costs of towing the vehicle, and storage ~~for-the-motor-vehicle~~
19 costs not to exceed fifteen dollars per day. If the motor
20 vehicle is not claimed within thirty days after impoundment,
21 the motor vehicle may be treated as an abandoned vehicle
22 pursuant to section 321.89.

23 ~~The-holder-of-a-security-interest-in-a~~ A rental
24 company that owns a motor vehicle which is impounded pursuant
25 to this subparagraph shall be notified of the impoundment
26 within seventy-two hours of the impoundment of the motor
27 vehicle and shall have the right to claim the motor vehicle
28 upon the payment of all fees and towing and storage costs.
29 ~~However, if the value of the vehicle is less than the security~~
30 ~~interest, all fees shall be divided equally between the~~
31 ~~lienholder and the political subdivision impounding the~~
32 ~~vehicle.~~

33 Sec. 3. Section 321.20B, subsection 4, paragraph b,
34 unnumbered paragraph 1, Code 2005, is amended to read as
35 follows:

1 An owner or driver of a motor vehicle who is charged with a
2 violation of subsection 1 and issued a citation under
3 paragraph "a", subparagraph (3)-or (4), is subject to the
4 following:

5 Sec. 4. Section 321.20B, subsection 4, paragraph b,
6 subparagraph (1), Code 2005, is amended to read as follows:

7 (1) An owner or driver who produces to the clerk of court,
8 prior to the date of the individual's court appearance as
9 indicated on the citation, proof that financial liability
10 coverage was in effect for the motor vehicle at the time the
11 person was stopped and cited, or, if the driver is not the
12 owner of the motor vehicle, proof that liability coverage was
13 in effect for the driver with respect to the motor vehicle
14 being driven at the time the driver was stopped and cited, in
15 the same manner as if the motor vehicle were owned by the
16 driver, shall be given a receipt indicating that such proof
17 was provided ~~and be subject to one of the following:~~

18 ~~(a)--If the person was cited pursuant to paragraph "a",~~
19 ~~subparagraph (3), the owner or driver shall provide a copy of~~
20 ~~the receipt to the county treasurer of the county in which the~~
21 ~~motor vehicle is registered and the owner shall be assessed a~~
22 ~~fifteen dollar administrative fee by the county treasurer who~~
23 ~~shall issue new license plates and registration to the person~~
24 ~~after payment of the fee.~~

25 (b)--If the person was cited pursuant to paragraph "a",
26 subparagraph (4), the The owner or driver, after the owner
27 provides proof of financial liability coverage to the clerk of
28 court, may claim the motor vehicle after such person pays any
29 applicable fine, and the costs of towing the vehicle, and
30 storage ~~for the motor vehicle~~ costs not to exceed fifteen
31 dollars per day, and the owner or driver provides a copy of
32 the receipt and the owner pays to the county treasurer of the
33 county in which the motor vehicle is registered a fifteen
34 dollar administrative fee, and the county treasurer shall
35 issue new license plates and registration to the person.

1 Sec. 5. Section 321.89, subsection 1, paragraph a,
2 subparagraph (4), Code Supplement 2005, is amended to read as
3 follows:

4 (4) A vehicle that has been legally impounded by order of
5 a police authority and has not been reclaimed for a period of
6 ten days, or for the period required under section 321.20B or
7 321.218B, as applicable. However, a police authority may
8 declare the vehicle abandoned within the ten-day period by
9 commencing the notification process in subsection 3.

10 Sec. 6. NEW SECTION. 321.218B DRIVING WITH SUSPENDED OR
11 REVOKED LICENSE -- MOTOR VEHICLE IMPOUNDMENT.

12 1. Notwithstanding any other provision of this chapter, if
13 a peace officer stops a motor vehicle and discovers that the
14 motor vehicle operator's driver's license or operating
15 privilege has been denied, canceled, suspended, or revoked,
16 the peace officer shall immediately cause the motor vehicle
17 operated by the person to be impounded.

18 2. After the expiration of thirty days, the person or
19 agency having physical possession of an impounded motor
20 vehicle shall release the vehicle to the owner upon payment of
21 all towing costs, storage costs not in excess of fifteen
22 dollars per day, and administrative fees associated with
23 impoundment of the motor vehicle, if either of the following
24 applies:

25 a. The owner provides satisfactory evidence that the owner
26 was not the operator of the motor vehicle at the time the
27 impoundment occurred.

28 b. If the owner was the operator at the time the
29 impoundment occurred, the owner provides satisfactory proof to
30 the person or agency that the owner's driver's license or
31 operating privilege has been reinstated.

32 3. A rental company that owns a motor vehicle which is
33 impounded pursuant to this section shall be notified of the
34 impoundment by the agency or person taking custody of the
35 motor vehicle within seventy-two hours of the impoundment of

1 the motor vehicle and shall have the right to claim the motor
2 vehicle upon the payment of all fees, towing costs, and
3 storage costs not in excess of fifteen dollars per day.

4 4. Except as provided in subsection 2 or 3 or by court
5 order, a motor vehicle shall remain impounded under this
6 section until reinstatement of the motor vehicle operator's
7 driving privilege and payment of all towing costs, storage
8 costs not in excess of fifteen dollars per day, and
9 administrative fees associated with impoundment of the motor
10 vehicle.

11 5. The provisions of this section do not apply to a person
12 whose driver's license or operating privilege is denied,
13 revoked, suspended, or barred under chapter 321J.

14 EXPLANATION

15 This bill requires immediate impoundment of a motor vehicle
16 if the driver's operating privileges are subject to sanctions
17 or if the driver is issued a citation for a second violation
18 of proof of financial liability requirements.

19 Under current law, if a peace officer stops a motor vehicle
20 registered in this state and the driver is unable to provide
21 proof of financial liability coverage, and if the driver has
22 previously received a citation for the same violation which
23 was not dismissed, the peace officer must issue a citation to
24 the driver, remove the motor vehicle's registration plates and
25 registration receipt, and either allow the vehicle to be
26 driven for up to 48 hours or impound the motor vehicle. The
27 bill removes the first option and requires impoundment. The
28 owner has 30 days to reclaim the vehicle by providing proof of
29 financial liability coverage and paying any applicable fine,
30 towing charges, and storage costs of no more than \$15 per day.
31 The bill removes an exception that allowed the holder of a
32 security interest in the vehicle to redeem the vehicle, and
33 adds an exception for rental companies.

34 The bill requires that if a peace officer stops a motor
35 vehicle and discovers that the operator's driver's license or

1 operating privilege is denied, canceled, suspended, or
2 revoked, the peace officer shall immediately impound the motor
3 vehicle. The minimum period of impoundment is 30 days. The
4 owner of the motor vehicle can redeem the vehicle at the end
5 of that time by paying all fees, towing charges, and storage
6 costs, which are limited to \$15 per day. If the owner was the
7 operator of the vehicle at the time of impoundment, the owner
8 shall also provide proof of reinstatement of the owner's
9 driver's license or operating privilege before the vehicle can
10 be released. The bill provides that a rental company which
11 owns an impounded vehicle must be notified within 72 hours of
12 impoundment by the person or agency taking custody of the
13 vehicle, and the rental company may then redeem the vehicle at
14 any time by paying all fees and the towing and storage costs.
15 The period of impoundment otherwise extends until
16 reinstatement of the driver's operating privileges. The bill
17 does not apply to persons sanctioned under Code chapter 321J,
18 which provides for impoundment of motor vehicles under
19 circumstances relating to driving under the influence of
20 alcohol or controlled substances.

21 The bill makes a corresponding amendment to the definition
22 of "abandoned vehicles", which currently provides that an
23 impounded vehicle is considered abandoned if it is not claimed
24 within 10 days, to allow for the longer impoundment periods
25 provided in the bill.

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