

House File 206 - Introduced

HOUSE FILE _____
BY H. MILLER

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

A BILL FOR

1 An Act relating to titling requirements for trailers with an
2 empty weight of two thousand pounds or less.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1012YH 82
5 dea/je/5

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1 1 Section 1. Section 321.50, subsection 1, Code 2007, is
1 2 amended to read as follows:
1 3 1. A security interest in a vehicle subject to
1 4 registration under the laws of this state or a mobile home or
1 5 manufactured home, except ~~trailers whose a trailer with an~~
1 6 empty weight ~~is of~~ two thousand pounds or less ~~if the trailer~~
1 7 ~~was acquired before January 1, 2008, and the owner does not~~
1 8 ~~elect to receive a certificate of title~~, and except new or
1 9 used vehicles held by a dealer or manufacturer as inventory
1 10 for sale, is perfected by the delivery to the county treasurer
1 11 of the county where the certificate of title was issued or, in
1 12 the case of a new certificate, to the county treasurer where
1 13 the certificate will be issued, of an application for
1 14 certificate of title which lists the security interest, or an
1 15 application for notation of security interest signed by the
1 16 owner or by one owner of a vehicle owned jointly by more than
1 17 one person, or signed through electronic means as determined
1 18 by the department, or a certificate of title from another
1 19 jurisdiction which shows the security interest, and payment of
1 20 a fee of ten dollars for each security interest shown. The
1 21 department shall require the federal employer identification
1 22 number of a secured party who is a firm, association, or
1 23 corporation or, if a natural person, the social security
1 24 number. Upon delivery of the application and payment of the
1 25 fee, the county treasurer shall note the date of delivery on
1 26 the application. If the delivery is by electronic means and
1 27 the time is electronically recorded on the application along
1 28 with the date, the time shall be included with the date on all
1 29 subsequent documents and records where the date of perfection
1 30 is required under this chapter. The date of delivery shall be
1 31 the date of perfection of the security interest in the
1 32 vehicle, regardless of the date the security interest is noted
1 33 on the certificate of title. Up to three security interests
1 34 may be perfected against a vehicle and shown on an Iowa
1 35 certificate of title. If the owner or secured party is in
2 1 possession of the certificate of title, it must also be
2 2 delivered at this time. If a vehicle is subject to a security
2 3 interest when brought into this state, the validity of the
2 4 security interest and the date of perfection is determined by
2 5 section 554.9303. Delivery as provided in this subsection
2 6 constitutes perfection of a security interest on a certificate
2 7 of title for purposes of this chapter and chapter 554.
2 8 Sec. 2. Section 321.123, unnumbered paragraph 1, Code
2 9 2007, is amended to read as follows:
2 10 All trailers except farm trailers, mobile homes, and
2 11 manufactured homes, unless otherwise provided in this section,
2 12 are subject to a registration fee of ten dollars. Trailers
2 13 ~~acquired before January 1, 2008, for which the empty weight is~~
2 14 ~~two thousand pounds or less are exempt from the certificate of~~
2 15 ~~title and lien provisions of this chapter. However, a person~~
2 16 ~~who owns a trailer with an empty weight of two thousand pounds~~
2 17 ~~or less that is not required to have a certificate of title~~
2 18 ~~may apply for and receive a certificate of title for the~~
2 19 ~~trailer and, subsequently, the trailer shall be subject to the~~
2 20 ~~requirements of this chapter as if the trailer were required~~

2 21 to be titled. Fees collected under this section shall not be
2 22 reduced or prorated under chapter 326.

2 23 EXPLANATION

2 24 This bill requires the owner of a trailer with an empty
2 25 weight of 2,000 pounds or less that is acquired on or after
2 26 January 1, 2008, to apply for a certificate of title along
2 27 with the application for registration of the trailer. The
2 28 bill also allows the owner of such a trailer that was acquired
2 29 prior to January 1, 2008, to obtain a certificate of title for
2 30 the trailer. A trailer with a certificate of title would be
2 31 subject to security interest provisions that apply to other
2 32 vehicles with a certificate of title. Under current law,
2 33 trailers weighing 2,000 pounds or less are exempt from
2 34 certificate of title and lien provisions otherwise applicable
2 35 to larger trailers. The bill preserves that exemption for
3 1 trailers acquired before January 1, 2008, unless the owner
3 2 elects to obtain a title.

3 3 A certificate of title for a trailer is issued by a county
3 4 treasurer for a title fee of \$10, plus a \$5 surcharge.

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