

House File 2125 - Introduced

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A BILL FOR

1 An Act to require proof of financial liability coverage upon
2 registration of a motor vehicle and upon registration
3 renewal.

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

1 Section 1. Section 321.20, subsection 1, Code 2011, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *g.* If the vehicle is a motor vehicle, the
4 owner shall certify on the application that financial liability
5 coverage is in effect for the motor vehicle and provide a copy
6 of the proof of financial liability coverage card issued for
7 the motor vehicle, a description of the financial liability
8 coverage as noted on the proof of financial liability coverage
9 card, or other documentation acceptable to the department.
10 This paragraph does not apply to a motor vehicle registered as
11 a "limited use" vehicle pursuant to sections 321.58 through
12 321.62 or section 321.115.

13 Sec. 2. Section 321.30, Code 2011, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 4. The department or the county treasurer
16 shall refuse registration of a motor vehicle if the owner does
17 not provide satisfactory certification that financial liability
18 coverage is in effect for the motor vehicle. This subsection
19 does not apply to a motor vehicle registered as a "limited use"
20 vehicle pursuant to sections 321.58 through 321.62 or section
21 321.115.

22 Sec. 3. Section 321.40, subsection 1, Code 2011, is amended
23 to read as follows:

24 1. Application for renewal of a vehicle registration shall
25 be made on or after the first day of the month prior to the
26 month of expiration of registration and up to and including
27 the last day of the month following the month of expiration of
28 registration. The registration shall be renewed upon receipt
29 by the county treasurer of certification of financial liability
30 coverage as required under subsection 10 and payment of the
31 appropriate annual registration fee. Application for renewal
32 for a vehicle registered under chapter 326 shall be made on or
33 after the first day of the month of expiration of registration
34 and up to and including the last day of the month following the
35 month of expiration of registration.

1 the registration is renewed. At the time of application
2 for initial registration of a motor vehicle, the owner is
3 required to provide a copy of the proof of financial liability
4 coverage card issued for the motor vehicle, a description of
5 the coverage as noted on the card, or other documentation
6 acceptable to the department of transportation. The department
7 or the county treasurer shall not register a motor vehicle
8 in the absence of satisfactory certification that financial
9 liability coverage is in effect for the vehicle.

10 The bill requires that the annual renewal statement sent
11 by the county treasurer to the owner of a motor vehicle
12 shall be accompanied by a form for certification of financial
13 liability coverage. The county treasurer shall refuse to
14 renew the vehicle registration in the absence of satisfactory
15 certification that financial liability coverage is in effect
16 for the vehicle. If the county treasurer receives a payment of
17 registration fees without certification of financial liability
18 coverage, the county treasurer shall send one notice to the
19 applicant stating that the registration will not be renewed
20 until the certification is provided. If certification is not
21 received by the earlier of 30 days after the notice is sent
22 or upon expiration of the vehicle registration, the county
23 treasurer shall return the registration fee payment to the
24 applicant without renewing the vehicle registration.

25 Motor vehicles that are registered as "limited use"
26 vehicles, such as certain antique vehicles and vehicles in a
27 dealer's inventory, are exempt from the requirements under the
28 bill.