

**Senate File 2250 - Introduced**

SENATE FILE 2250

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 3018)

**A BILL FOR**

1 An Act relating to the licensing of vehicle recyclers and  
2 defining the term "scrapping".

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

1 Section 1. Section 321.1, Code 2014, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 70A. "*Scrapping*" means to dispose of  
4 a vehicle subject to registration to an authorized vehicle  
5 recycler, as defined in section 321H.2, or to destroy a vehicle  
6 subject to registration.

7 Sec. 2. Section 321H.2, Code 2014, is amended by adding the  
8 following new subsection:

9 NEW SUBSECTION. 4A. "*Scrapping*" means to dispose of a  
10 vehicle subject to registration to an authorized vehicle  
11 recycler or to destroy a vehicle subject to registration.

12 Sec. 3. Section 321H.3, unnumbered paragraph 1, Code 2014,  
13 is amended to read as follows:

14 Except for educational institutions; persons licensed as new  
15 vehicle dealers under chapter 322; persons engaged in a hobby  
16 not for profit; persons engaged in the business of purchasing  
17 bodies, parts of bodies, frames, or component parts of vehicles  
18 only for sale as scrap metal; insurance companies governed by  
19 chapter 515; county mutual insurance associations governed by  
20 chapter 518; state mutual insurance associations governed by  
21 chapter 518A; or persons licensed under the provisions of this  
22 chapter as authorized vehicle recyclers, a person in this state  
23 shall not engage in the business of any of the following:

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with  
26 the explanation's substance by the members of the general assembly.

27 Under current law, an authorized vehicle recycler license is  
28 required for a person to operate as a vehicle rebuilder, used  
29 vehicle parts dealer, or vehicle salvager. The definition of  
30 "vehicle salvager" includes persons engaged in the business of  
31 scrapping wrecked or damaged vehicles. This bill defines the  
32 term "scrapping" to mean either to dispose of a vehicle subject  
33 to registration to an authorized vehicle recycler or to destroy  
34 a vehicle subject to registration.

35 The bill also provides that insurance companies, county

1 mutual insurance associations, and state mutual insurance  
2 associations are exempt from authorized vehicle recycler  
3 licensing requirements.