

Senate File 436 - Introduced

SENATE FILE 436

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 1148)

A BILL FOR

1 An Act relating to wrecked or salvage motor vehicles.

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

1 Section 1. Section 321.52, subsection 4, paragraph e, Code
2 2019, is amended to read as follows:

3 e. For purposes of this subsection, "*wrecked or salvage*
4 *vehicle*" means a damaged motor vehicle subject to registration
5 for which the cost of repair exceeds fifty seventy percent
6 of the fair market value of the vehicle, as determined in
7 accordance with rules adopted by the department, before ~~it~~ the
8 vehicle became damaged.

9 Sec. 2. Section 321H.2, subsection 12, Code 2019, is amended
10 to read as follows:

11 12. "*Wrecked or salvage vehicle*" means a damaged vehicle for
12 which the cost of repair exceeds fifty seventy percent of the
13 fair market value of the vehicle before ~~it~~ the vehicle became
14 damaged.

15 EXPLANATION

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

18 Under current law, a wrecked or salvage vehicle is a damaged
19 vehicle for which the cost of repair exceeds 50 percent of the
20 fair market value of the vehicle before the vehicle became
21 damaged. This bill increases the cost of repair threshold to
22 70 percent of the fair market value of the vehicle.

23 By operation of law, the bill affects the definition of
24 "salvage pool" under Code chapter 321, the circumstances
25 under which a salvage certificate of title is required under
26 Code section 321.52, the circumstances under which a damage
27 disclosure statement under Code section 321.69 is required
28 to indicate damage to a vehicle on the vehicle's certificate
29 of title, and the prohibited actions relating to vehicle
30 rebuilding and restoration under Code section 321H.3.