

House Study Bill 86 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON BEST)

A BILL FOR

1 An Act relating to motor vehicles, including the surrender
2 or transfer of registration plates and cards to a county
3 treasurer, documentary fees charged by motor vehicle
4 dealers, and motor vehicle franchise obligations.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.26, subsection 2, Code 2021, is
2 amended to read as follows:

3 2. The county treasurer may adjust the renewal or
4 expiration date of vehicles registered in the county when
5 deemed necessary to equalize the number of vehicles registered
6 in each twelve-month period or for the administrative
7 efficiency of the county treasurer's office. The adjustment
8 shall be accomplished by delivery of a written notice to the
9 vehicle owner of the adjustment and allowance of a credit
10 for the remaining months of the unused portion of the annual
11 registration fee, rounded to the nearest whole dollar, which
12 amount shall be deducted from the annual registration fee due
13 at the time of registration. Upon receipt of the notification
14 the owner shall, within thirty days, surrender the registration
15 card and registration plates to the a county treasurer of
16 ~~the county where the vehicle is registered~~, except that the
17 registration plates shall not be surrendered if validation
18 stickers or other emblems are used to designate the month and
19 year of expiration of registration. Upon payment of the annual
20 registration fee, less the credit allowed for the remaining
21 months of the unused portion of the annual registration
22 fee, the county treasurer of the county where the vehicle is
23 registered shall issue a new registration card and registration
24 plates, validation stickers, or emblems which indicate the
25 month and year of expiration of registration.

26 Sec. 2. Section 321.34, subsection 1, Code 2021, is amended
27 to read as follows:

28 1. *Plates issued.* The county treasurer upon receiving
29 application, accompanied by proper fee, for registration of a
30 vehicle shall issue to the owner one registration plate for
31 a motorcycle, motorized bicycle, autocycle, truck tractor,
32 trailer, or semitrailer and two registration plates for every
33 other motor vehicle. The registration plates, including
34 special registration plates, shall be assigned to the owner of
35 a vehicle. When the owner of a registered vehicle transfers or

1 assigns ownership of the vehicle to another person, the owner
2 shall remove the registration plates from the vehicle. The
3 owner shall forward the plates to ~~the~~ a county treasurer ~~where~~
4 ~~the vehicle is registered~~ or the owner may have the plates
5 assigned to another vehicle within thirty days after transfer,
6 upon payment of the fees required by law. The owner shall
7 immediately affix registration plates retained by the owner to
8 another vehicle owned or acquired by the owner, providing the
9 owner complies with [section 321.46](#). The department shall adopt
10 rules providing for the assignment of registration plates to
11 the transferee of a vehicle for which a credit is allowed under
12 section 321.46, subsection 6.

13 Sec. 3. Section 321.47, subsection 3, Code 2021, is amended
14 to read as follows:

15 3. Whenever ownership of a vehicle is transferred under the
16 provisions of [this section](#), the registration plates shall be
17 removed and forwarded to ~~the~~ a county treasurer, ~~of the county~~
18 ~~where the vehicle is registered~~ or to the department if the
19 vehicle is owned by a nonresident. Upon transfer the vehicle
20 shall not be operated upon the highways of this state until the
21 person entitled to possession of the vehicle applies for and
22 obtains registration for the vehicle.

23 Sec. 4. Section 322.19A, subsection 3, Code 2021, is amended
24 by striking the subsection.

25 Sec. 5. Section 322A.5, subsection 2, Code 2021, is amended
26 by adding the following new paragraph:

27 NEW PARAGRAPH. *c.* The franchiser shall provide to the
28 franchisee a list of time allowances for the performance of
29 warranty services. Time allowances for the performance of
30 warranty services, including diagnostic services, shall be
31 reasonable and adequate for the services to be performed.

32 EXPLANATION

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

35 This bill allows a person who receives a written notice of

1 an adjustment of the renewal or expiration of the person's
2 motor vehicle registration to surrender their registration card
3 and registration plates to a county treasurer of any county
4 in the state rather than the county treasurer of the county
5 where the vehicle is registered. The bill further allows the
6 registration plates of a motor vehicle on which ownership is
7 transferred or assigned to another person pursuant to Code
8 section 321.34(1) or transferred by operation of law pursuant
9 to Code section 321.47(1) to be removed and forwarded to
10 any county treasurer in the state rather than to the county
11 treasurer of the county where the vehicle is registered. The
12 bill does not modify Code section 321.134, which allows an
13 owner of a motor vehicle who surrenders the registration plates
14 of a vehicle prior to the plates becoming delinquent to the
15 county treasurer of the county where the vehicle is registered
16 to register the vehicle any time thereafter without penalty.

17 Under current law, a motor vehicle dealer may charge a
18 documentary fee to a customer for the preparation of documents
19 related to an application for motor vehicle registration and
20 an application for issuance of a certificate of title, and
21 the performance of other related services for the customer,
22 which must not exceed \$180 for each motor vehicle sold in
23 a transaction. The bill strikes the requirement that the
24 maximum documentary fee be reduced by \$25 after the department
25 of transportation has implemented a program to allow for
26 electronic applications, titling, registering, and funds
27 transfers for vehicles subject to registration.

28 Under the bill, a motor vehicle franchiser must provide a
29 franchisee a list of time allowances for the performance of
30 warranty services, which must be reasonable and adequate for
31 the services to be performed.