

House File 674 - Introduced

HOUSE FILE 674

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 344)

(SUCCESSOR TO HF 55)

A BILL FOR

1 An Act regarding the registration and titling of motor
2 vehicles, including by providing for initial registration
3 and titling by any county treasurer and by modifying related
4 fees and the amount of fees retained by county treasurers,
5 and including effective date provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.20, subsection 1, unnumbered
2 paragraph 1, Code 2023, is amended to read as follows:
3 Except as provided in [this chapter](#), an owner of a vehicle,
4 or a lessor of a vehicle pursuant to chapter 321F which has a
5 gross vehicle weight of less than ten thousand pounds, which
6 is subject to registration, shall make application to the any
7 ~~county treasurer of the county of the owner's residence, or~~
8 ~~if a nonresident, to the county treasurer of the county where~~
9 ~~the primary users of the vehicle are located, or if a lessor~~
10 ~~of the vehicle pursuant to [chapter 321F](#) which vehicle has a~~
11 ~~gross vehicle weight of less than ten thousand pounds, to the~~
12 ~~county treasurer of the county of the lessee's residence,~~
13 ~~or if a firm, association, or corporation with vehicles in~~
14 ~~multiple counties, the owner may make application to the county~~
15 ~~treasurer of the county where the primary user of the vehicle~~
16 ~~is located,~~ for the initial registration and issuance of a
17 certificate of title for the vehicle upon the appropriate form
18 furnished by the department. However, upon the transfer of
19 ownership, the owner of a vehicle subject to the apportioned
20 registration provisions of [chapter 326](#) shall make application
21 for issuance of a certificate of title to either the department
22 or ~~the appropriate~~ any county treasurer. The owner of a
23 vehicle purchased pursuant to [section 578A.7](#) shall present
24 documentation that such sale was completed in compliance
25 with that section. The application shall be accompanied by
26 a fee of ~~twenty~~ thirty dollars, and shall bear the owner's
27 signature. A nonresident owner of two or more vehicles subject
28 to registration may make application for initial registration
29 and issuance of a certificate of title for all vehicles subject
30 to registration to ~~the any~~ county treasurer ~~of the county where~~
31 ~~the primary user of any of the vehicles is located.~~ The owner
32 of a mobile home or manufactured home shall make application
33 for a certificate of title under [this section](#) from the county
34 treasurer of the county where the mobile home or manufactured
35 home is located. The application shall contain:

1 Sec. 2. Section 321.20, subsections 2, 3, and 4, Code 2023,
2 are amended to read as follows:

3 2. Notwithstanding contrary provisions of [this chapter](#)
4 or [chapter 326](#) regarding titling and registration by means
5 other than electronic means, the department shall, ~~by July 1,~~
6 ~~2019,~~ develop and implement a program to allow for electronic
7 applications, titling, registering initial registrations, and
8 funds transfers for vehicles subject to registration in order
9 to improve the efficiency and timeliness of the processes and
10 to reduce costs for all parties involved. The program shall
11 also provide for the electronic submission of any statement
12 required by [this section](#), except where prohibited by federal
13 law.

14 3. The department shall adopt rules ~~on~~ pursuant to chapter
15 17A to administer this section, including rules relating to the
16 method for providing signatures for applications and statements
17 required by [this section](#) that are made by electronic means.

18 ~~4. Notwithstanding [this section](#) or any other provision of~~
19 ~~law to the contrary, if the program required by subsection~~
20 ~~2 is not implemented by July 1, 2019, an owner of a vehicle~~
21 ~~subject to registration may apply to the county treasurer of a~~
22 ~~county contiguous to the county designated for the owner under~~
23 ~~[subsection 1](#) for registration and issuance of a certificate of~~
24 ~~title.~~

25 Sec. 3. Section 321.20A, subsection 1, Code 2023, is amended
26 to read as follows:

27 1. Notwithstanding other provisions of [this chapter](#),
28 the owner of a commercial vehicle subject to the apportioned
29 registration provisions of [chapter 326](#) may make application
30 to the department or ~~the appropriate~~ any county treasurer
31 for a certificate of title. The owner of a commercial
32 vehicle purchased pursuant to [section 578A.7](#) shall present
33 documentation that such sale was completed in compliance with
34 that section. The application for certificate of title shall
35 be made within thirty days of purchase or transfer and shall be

1 accompanied by a ~~twenty-dollar~~ thirty-dollar title fee and the
2 appropriate fee for new registration. The department or the
3 county treasurer shall deliver the certificate of title to the
4 owner if there is no security interest. If there is a security
5 interest, the title, when issued, shall be delivered to the
6 first secured party. Delivery may be made using electronic
7 means.

8 Sec. 4. Section 321.23, subsections 3 and 4, Code 2023, are
9 amended to read as follows:

10 3. In the event an applicant for initial registration of
11 a foreign vehicle for which a certificate of title has been
12 issued is able to furnish evidence of being the registered
13 owner of the vehicle to ~~the~~ any county treasurer ~~of the owner's~~
14 ~~residence~~, although unable to surrender such certificate
15 of title, the county treasurer may issue a registration
16 receipt and plates upon receipt of the required annual
17 registration fee and the fee for new registration but shall
18 not issue a certificate of title thereto. Upon surrender of
19 the certificate of title from the foreign state, the county
20 treasurer shall issue a certificate of title to the owner,
21 or person entitled thereto, of such vehicle as provided in
22 this chapter. The owner of a vehicle registered under this
23 subsection shall not be required to obtain a certificate of
24 title in this state and may transfer ownership of the vehicle
25 to a motor vehicle dealer licensed under [chapter 322](#) or an
26 insurance carrier authorized to do business in this state
27 if, at the time of the transfer, the certificate of title is
28 held by a secured party and the dealer or insurance carrier,
29 as applicable, has forwarded to the secured party the sum
30 necessary to discharge the security interest pursuant to
31 section 321.48, subsection 1.

32 4. A vehicle which does not meet the equipment requirements
33 of [this chapter](#) due to the particular use for which it is
34 designed or intended, may be registered by the department
35 upon payment of appropriate fees and after inspection and

1 certification by the department that the vehicle is not
2 in an unsafe condition. A person is not required to have
3 a certificate of title to register a vehicle under this
4 subsection. If the owner elects to have a certificate of title
5 issued for the vehicle, a fee of ~~twenty~~ thirty dollars shall be
6 paid by the person making the application upon issuance of a
7 certificate of title. If the department's inspection reveals
8 that the vehicle may be safely operated only under certain
9 conditions or on certain types of roadways, the department may
10 restrict the registration to limit operation of the vehicle to
11 the appropriate conditions or roadways. [This subsection](#) does
12 not apply to snowmobiles as defined in [section 321G.1](#). Section
13 321.382 does not apply to a vehicle registered under this
14 subsection which is operated exclusively by a person with a
15 disability who has obtained a persons with disabilities parking
16 permit as provided in [section 321L.2](#), if the persons with
17 disabilities parking permit is carried in or on the vehicle and
18 shown to a peace officer on request.

19 Sec. 5. Section 321.25, subsection 1, Code 2023, is amended
20 to read as follows:

21 1. A vehicle may be operated upon the highways of this
22 state without registration plates for a period of forty-five
23 days after the date of delivery of the vehicle to the purchaser
24 from a dealer if a card bearing the words "registration applied
25 for" is attached on the rear of the vehicle. The card shall
26 have plainly stamped or stenciled the registration number of
27 the dealer from whom the vehicle was purchased and the date
28 of delivery of the vehicle. In addition, a dealer licensed
29 to sell new motor vehicles may attach the card to a new motor
30 vehicle delivered by the dealer to the purchaser even if the
31 vehicle was purchased from an out-of-state dealer and the card
32 shall bear the registration number of the dealer that delivered
33 the vehicle. A dealer shall not issue a card to a person known
34 to the dealer to be in possession of registration plates which
35 may be attached to the vehicle. A dealer shall not issue a card

1 unless an application for initial registration and certificate
2 of title has been made by the purchaser and a receipt issued to
3 the purchaser of the vehicle showing the fee paid by the person
4 making the application. Dealers' records shall indicate the
5 agency to which the fee is sent and the date the fee is sent.
6 The dealer shall forward the application by the purchaser to
7 the county treasurer or state office within thirty calendar
8 days from the date of delivery of the vehicle. However, if the
9 vehicle is subject to a security interest and has been offered
10 for sale pursuant to [section 321.48, subsection 1](#), the dealer
11 shall forward the application by the purchaser to the county
12 treasurer or state office within thirty calendar days from the
13 date of the delivery of the vehicle to the purchaser.

14 Sec. 6. Section 321.26, subsection 2, Code 2023, is amended
15 to read as follows:

16 2. The county treasurer may adjust the registration renewal
17 or expiration date of vehicles ~~registered in the county for~~
18 which the county treasurer is responsible for renewal under
19 section 321.40 when deemed necessary to equalize the number
20 of vehicles registered in each twelve-month period or for the
21 administrative efficiency of the county treasurer's office.
22 The adjustment shall be accomplished by delivery of a written
23 notice to the vehicle owner of the adjustment and allowance of
24 a credit for the remaining months of the unused portion of the
25 annual registration fee, rounded to the nearest whole dollar,
26 which amount shall be deducted from the annual registration
27 fee due at the time of registration. Upon receipt of the
28 notification the owner shall, within thirty days, surrender
29 the registration card and registration plates to a any county
30 treasurer, except that the registration plates shall not be
31 surrendered if validation stickers or other emblems are used
32 to designate the month and year of expiration of registration.
33 Upon payment of the annual registration fee, less the credit
34 allowed for the remaining months of the unused portion of the
35 annual registration fee, the county treasurer ~~of the county~~

1 ~~where the vehicle is registered~~ that adjusted the registration
2 renewal or expiration date of the vehicle shall issue a new
3 registration card and registration plates, validation stickers,
4 or emblems which indicate the month and year of expiration of
5 registration.

6 Sec. 7. Section 321.29, Code 2023, is amended to read as
7 follows:

8 **321.29 Renewal not permitted.**

9 Any vehicle once registered in the state and by removal no
10 longer subject to registration in this state, shall upon being
11 returned to this state and subject to registration be again
12 initially registered in accordance with [section 321.20](#).

13 Sec. 8. Section 321.34, subsection 1, Code 2023, is amended
14 to read as follows:

15 1. *Plates issued.* The county treasurer upon receiving
16 application, accompanied by proper fee, for registration of a
17 vehicle shall issue to the owner one registration plate for
18 a motorcycle, motorized bicycle, autocycle, truck tractor,
19 trailer, or semitrailer and two registration plates for every
20 other motor vehicle. The registration plates, including
21 special registration plates, shall be assigned to the owner of
22 a vehicle. When the owner of a registered vehicle transfers or
23 assigns ownership of the vehicle to another person, the owner
24 shall remove the registration plates from the vehicle. The
25 owner shall forward the plates to a any county treasurer or the
26 owner may have the plates assigned to another vehicle within
27 thirty days after transfer, upon payment of the fees required
28 by law. The owner shall immediately affix registration plates
29 retained by the owner to another vehicle owned or acquired by
30 the owner, providing the owner complies with [section 321.46](#).
31 The department shall adopt rules providing for the assignment
32 of registration plates to the transferee of a vehicle for which
33 a credit is allowed under [section 321.46, subsection 6](#).

34 Sec. 9. Section 321.40, subsection 1, Code 2023, is amended
35 to read as follows:

1 1. Application for renewal for a vehicle registered under
2 this chapter shall be made on or after the first day of the
3 month prior to the month of expiration of registration and up
4 to and including the last day of the month following the month
5 of expiration of registration. The application for renewal
6 shall be submitted to the county treasurer of the county of
7 the owner's residence; or if a nonresident, to the county
8 treasurer of the county where the primary users of the vehicle
9 are located; or if a lessor of the vehicle pursuant to chapter
10 321F which has a gross vehicle weight of less than ten thousand
11 pounds, to the county treasurer of the county of the lessee's
12 residence; or if a firm, association, or corporation with
13 vehicles in multiple counties, to the county treasurer of the
14 county where the primary user of the vehicle is located. The
15 registration shall be renewed upon payment of the appropriate
16 annual registration fee. Application for renewal for a vehicle
17 registered under [chapter 326](#) shall be made on or after the
18 first day of the month prior to the month of expiration of
19 registration and up to and including the last day of the month
20 of expiration of registration.

21 Sec. 10. Section 321.42, subsection 2, paragraphs a, c, and
22 d, Code 2023, are amended to read as follows:

23 a. If a certificate of title is lost or destroyed, the
24 owner or lienholder shall apply for a replacement copy of the
25 original certificate of title. The owner or lienholder of a
26 motor vehicle may also apply for a replacement copy of the
27 original certificate of title upon surrender of the original
28 certificate of title with the application. The application
29 shall be made to the department or any county treasurer ~~who~~
30 ~~issued the original certificate of title.~~ The application
31 shall be signed by the owner or lienholder and accompanied by a
32 fee of ~~twenty~~ thirty dollars.

33 c. If a security interest noted on the face of an original
34 certificate of title was released by the lienholder on a
35 separate form pursuant to [section 321.50, subsection 5](#), and

1 the signature of the lienholder, or the person executing the
2 release on behalf of the lienholder, is notarized, but the
3 lienholder has not delivered the original certificate to the
4 appropriate party as provided in [section 321.50, subsection 5](#),
5 the owner may apply for and receive a replacement certificate
6 of title without the released security interest noted thereon.
7 The lienholder shall return the original certificate of title
8 to the department or to the any county treasurer ~~of the county~~
9 ~~where the title was issued.~~

10 *d.* A new purchaser or transferee is entitled to receive
11 an original title upon presenting the assigned replacement
12 copy to the any county treasurer ~~of the county where the new~~
13 ~~purchaser or transferee resides.~~ At the time of purchase, a
14 purchaser may require the seller to indemnify the purchaser and
15 all future purchasers of the vehicle against any loss which
16 may be suffered due to claims on the original certificate. A
17 person recovering an original certificate of title for which
18 a replacement has been issued shall surrender the original
19 certificate to the county treasurer or the department.

20 Sec. 11. Section 321.46, subsections 1, 2, and 5, Code 2023,
21 are amended to read as follows:

22 1. The transferee shall, within thirty calendar days after
23 purchase or transfer, apply for and obtain from the any county
24 ~~treasurer of the person's residence, or if a nonresident, the~~
25 ~~county treasurer of the county where the primary users of the~~
26 ~~vehicle are located or the county where all other vehicles~~
27 ~~owned by the nonresident are registered, or in the case of a~~
28 ~~mobile home or manufactured home, the county treasurer of the~~
29 ~~county where the mobile home or manufactured home is located,~~
30 ~~or if a firm, association, or corporation with vehicles in~~
31 ~~multiple counties, the transferee may apply for and obtain from~~
32 ~~the county treasurer of the county where the primary user of~~
33 ~~the vehicle is located,~~ a new initial registration and a new
34 certificate of title for the vehicle, except as provided in
35 section 321.25, [321.48](#), or [322G.12](#), or when the transferee

1 obtains the vehicle pursuant to [section 321.52, subsection 2,](#)
 2 [paragraph "b".](#) In the case of a mobile home or manufactured
 3 home, the transferee shall, within thirty calendar days after
 4 purchase or transfer, apply for and obtain from the county
 5 treasurer of the county where the mobile home or manufactured
 6 home is located a new certificate of title. The transferee
 7 shall present with the application the certificate of title
 8 endorsed and assigned by the previous owner and shall indicate
 9 the name of the county in which the vehicle was last registered
 10 and the registration expiration date.

11 2. Upon filing the application for a new initial
 12 registration and a new title, the applicant shall pay a title
 13 fee of ~~twenty~~ thirty dollars, an annual registration fee
 14 prorated for the remaining unexpired months of the registration
 15 year, and a fee for new registration if applicable. A
 16 manufacturer applying for a certificate of title pursuant
 17 to [section 322G.12](#) shall pay a title fee of ~~ten~~ twenty
 18 dollars. However, a title fee shall not be charged to a
 19 manufactured or mobile home retailer applying for a certificate
 20 of title for a used mobile home or manufactured home, titled
 21 in Iowa, as required under [section 321.45, subsection 4.](#)
 22 The county treasurer, if satisfied of the genuineness and
 23 regularity of the application, and in the case of a mobile
 24 home or manufactured home, that taxes are not owing under
 25 chapter 435, and that applicant has complied with all the
 26 requirements of [this chapter](#), shall issue a new certificate
 27 of title and, except for a mobile home, manufactured home,
 28 or a vehicle returned to and accepted by a manufacturer as
 29 described in [section 322G.12](#), a registration card to the
 30 purchaser or transferee, shall cancel the prior registration
 31 for the vehicle, and shall forward the necessary copies to the
 32 department on the date of issuance, as prescribed in section
 33 321.24. Mobile homes or manufactured homes titled under
 34 chapter 448 that have been subject under [section 446.18](#) to a
 35 public bidder sale in a county shall be titled in the county's

1 name, with no fee, and the county treasurer shall issue the
2 title.

3 5. The seller or transferor may file an affidavit on
4 forms prescribed and provided by the department with ~~the any~~
5 county treasurer ~~of the county where the vehicle is registered~~
6 certifying the sale or transfer of ownership of the vehicle
7 and the assignment and delivery of the certificate of title
8 for the vehicle. Upon receipt of the affidavit, the county
9 treasurer shall file the affidavit with the copy of the
10 registration receipt for the vehicle on file in the treasurer's
11 office and on that day the treasurer shall note receipt of the
12 affidavit in the vehicle registration and titling system. Upon
13 filing the affidavit, it shall be presumed that the seller or
14 transferor has assigned and delivered the certificate of title
15 for the vehicle. For a leased vehicle, the lessor licensed
16 pursuant to [chapter 321F](#) or the lessee may file an affidavit
17 as provided in [this subsection](#) certifying that the lease has
18 expired or been terminated and the date that the leased vehicle
19 was surrendered to the lessor.

20 Sec. 12. Section 321.47, subsections 1 and 3, Code 2023, are
21 amended to read as follows:

22 1. If ownership of a vehicle is transferred by operation of
23 law upon inheritance, devise or bequest, dissolution decree,
24 order in bankruptcy, insolvency, replevin, foreclosure or
25 execution sale, abandoned vehicle sale, or when the engine of a
26 motor vehicle is replaced by another engine, or a vehicle is
27 sold or transferred to satisfy an artisan's lien as provided
28 in [chapter 577](#), a landlord's lien as provided in [chapter 570](#),
29 a self-service storage facility lien as provided in section
30 578A.7, a storage lien as provided in [chapter 579](#), a judgment
31 in an action for abandonment of a manufactured or mobile home
32 as provided in [chapter 555B](#), upon presentation of an affidavit
33 relating to the disposition of a valueless mobile, modular, or
34 manufactured home as provided in [chapter 555C](#), or repossession
35 is had upon default in performance of the terms of a security

1 agreement, ~~the any county treasurer in the transferee's county~~
2 ~~of residence~~ or, in the case of a mobile home or manufactured
3 home, the county treasurer of the county where the mobile home
4 or manufactured home is located, upon the surrender of the
5 prior certificate of title or the manufacturer's or importer's
6 certificate, or when that is not possible, upon presentation
7 of satisfactory proof to the county treasurer of ownership and
8 right of possession to the vehicle and upon payment of a fee of
9 ~~twenty~~ thirty dollars and the presentation of an application
10 for initial registration and certificate of title, may issue
11 to the applicant a registration card for the vehicle and a
12 certificate of title to the vehicle. A person entitled to
13 ownership of a vehicle under a decree of dissolution shall
14 surrender a reproduction of a certified copy of the dissolution
15 and upon fulfilling the other requirements of [this chapter](#) is
16 entitled to a certificate of title and registration receipt
17 issued in the person's name.

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

26 Sec. 13. Section 321.48, subsection 2, Code 2023, is amended
27 to read as follows:

28 2. A foreign registered vehicle purchased or otherwise
29 acquired by a dealer for the purpose of resale shall be issued
30 a certificate of title for the vehicle by ~~the any~~ county
31 treasurer ~~of the dealer's residence~~ upon proper application
32 as provided in [this chapter](#) and upon payment of a fee of ~~five~~
33 fifteen dollars and the dealer is exempt from the payment of
34 any and all registration fees for the vehicle. The application
35 for certificate of title shall be made within thirty days

1 after the vehicle comes within the border of the state.
2 However, a dealer acquiring a vehicle registered in another
3 state which permits Iowa dealers to reassign that state's
4 certificates of title shall not be required to obtain a new
5 initial registration or a new certificate of title and upon
6 transferring title or interest to another person shall execute
7 an assignment upon the certificate of title for the vehicle
8 to the person to whom the transfer is made and deliver the
9 assigned certificate of title to the person.

10 Sec. 14. Section 321.49, subsection 1, Code 2023, is amended
11 to read as follows:

12 1. Except as provided in [section 321.52](#), if an application
13 for transfer of registration and certificate of title is not
14 submitted to the any county treasurer ~~of the residence of~~
15 ~~the transferee~~ within thirty days of the date of assignment
16 or transfer of title, or within thirty days of the date of
17 delivery to the purchaser if the vehicle is subject to a
18 security interest and was offered for sale pursuant to section
19 321.48, subsection 1, a penalty of ten dollars shall accrue
20 against the applicant, and no registration card or certificate
21 of title shall be issued to the applicant for the vehicle until
22 the penalty is paid.

23 Sec. 15. Section 321.50, subsection 1, Code 2023, is amended
24 to read as follows:

25 1. A security interest in a vehicle subject to registration
26 under the laws of this state ~~or a mobile home or manufactured~~
27 ~~home~~, except trailers whose empty weight is two thousand
28 pounds or less, and except new or used vehicles held by a
29 dealer or manufacturer as inventory for sale, is perfected by
30 the delivery to the any county treasurer ~~of the county where~~
31 ~~the certificate of title was issued or, in the case of a new~~
32 ~~certificate, to the county treasurer where the certificate will~~
33 ~~be issued~~, of an application for certificate of title which
34 lists the security interest, or an application for notation
35 of security interest signed by the owner or by one owner of

1 a vehicle owned jointly by more than one person, or signed
2 through electronic means as determined by the department, or a
3 certificate of title from another jurisdiction which shows the
4 security interest, and payment of a fee of ~~ten~~ twenty dollars
5 for each security interest shown. The security interest in a
6 mobile home or manufactured home is perfected by the delivery
7 to the county treasurer of the county where the certificate
8 of title was issued or, in the case of a new certificate, to
9 the county treasurer where the certificate will be issued,
10 of an application for certificate of title which lists the
11 security interest, or an application for notation of security
12 interest signed by the owner or by one owner when owned jointly
13 by more than one person, or signed through electronic means
14 as determined by the department, or a certificate of title
15 from another jurisdiction which shows the security interest,
16 and payment of a fee of twenty dollars for each security
17 interest shown. The department shall require the federal
18 employer identification number of a secured party who is a
19 firm, association, or corporation or, if a natural person,
20 the social security number. Upon delivery of the application
21 and payment of the fee, the county treasurer shall note the
22 date of delivery on the application. If the delivery is by
23 electronic means and the time is electronically recorded on the
24 application along with the date, the time shall be included
25 with the date on all subsequent documents and records where the
26 date of perfection is required under [this chapter](#). The date
27 of delivery shall be the date of perfection of the security
28 interest in the vehicle, regardless of the date the security
29 interest is noted on the certificate of title. Up to three
30 security interests may be perfected against a vehicle and shown
31 on an Iowa certificate of title. If the owner or secured party
32 is in possession of the certificate of title, it must also be
33 delivered at this time. If a vehicle is subject to a security
34 interest when brought into this state, the validity of the
35 security interest and the date of perfection is determined by

1 section 554.9303. Delivery as provided in [this subsection](#)
2 constitutes perfection of a security interest on a certificate
3 of title for purposes of [this chapter](#) and [chapter 554](#).

4 Sec. 16. Section 321.50, subsection 5, paragraphs a and c,
5 Code 2023, are amended to read as follows:

6 a. When a security interest is discharged, the holder
7 shall note a cancellation of the security interest on the
8 face of the certificate of title over the holder's signature
9 or may note the cancellation of the security interest on a
10 separate, notarized release form or letter. The holder shall
11 deliver the certificate of title and the form or letter, if
12 applicable, to ~~the~~ any county treasurer ~~where the title was~~
13 ~~issued~~. In the case of a security interest that has been
14 delivered by electronic means, the holder shall notify the
15 department or the county treasurer, in a manner prescribed
16 by the department, of the release of the security interest.
17 The county treasurer shall immediately note the cancellation
18 of the security interest on the face of the certificate of
19 title, if applicable, and in the county records system. The
20 county treasurer shall on the same day deliver the certificate
21 of title, if applicable, and the separate, notarized release
22 form or letter, if applicable, to the then first secured party
23 or, if there is no such person, to the person as directed by
24 the owner, in writing, on a form prescribed by the department
25 or, if there is no person designated, then to the owner. The
26 cancellation of the security interest shall be noted on the
27 certificate of title by the county treasurer without charge.
28 The holder of a security interest discharged by payment who
29 fails to release the security interest within fifteen days
30 after being requested in writing to do so shall forfeit to the
31 person making the payment the sum of twenty-five dollars.

32 c. When a security interest is discharged, the lienholder
33 shall note the cancellation of the security interest on the
34 face of the title and, if applicable, may note the cancellation
35 of the security interest on a form prescribed by the department

1 and deliver a copy of the form in lieu of the title to the
2 department or to the any county treasurer ~~of the county in~~
3 ~~which the title was issued~~. The form may be delivered by
4 electronic means. The department or county treasurer shall
5 note the release of the security interest upon the statewide
6 computer system and the county's records. A copy of the form,
7 if used, shall be attached to the title by the lienholder, if
8 the title is held by the lienholder, and shall be evidence of
9 the release of the security interest. If the title is held
10 by the lienholder, the lienholder shall deliver the title to
11 the first lienholder, or if there is no such person, to the
12 person as designated by the owner, or if there is no such
13 person designated, to the owner. If a certificate of title
14 has not been issued, upon release of a security interest, the
15 lienholder shall notify the department or the county treasurer,
16 in a manner prescribed by the department, of the release of the
17 security interest.

18 Sec. 17. Section 321.52, subsection 2, paragraph a, Code
19 2023, is amended to read as follows:

20 a. The purchaser or transferee of a motor vehicle subject to
21 registration for which a certificate of title is issued which
22 is sold for scrap or junk shall surrender the certificate of
23 title, properly endorsed and signed by the previous owner, to
24 the any county treasurer ~~of the county of residence of the~~
25 ~~transferee~~, and shall apply for a junking certificate from the
26 county treasurer, within thirty days after assignment of the
27 certificate of title, except when the vehicle is disposed of
28 pursuant to paragraph "b". The county treasurer shall issue
29 to such person without fee a junking certificate. A junking
30 certificate shall authorize the holder to possess, transport,
31 or transfer by endorsement the ownership of the junked vehicle.
32 A certificate of title shall not again be issued for the
33 vehicle subsequent to the issuance of a junking certificate
34 except as provided in [subsection 3](#). The county treasurer shall
35 cancel the record of the vehicle. The junking certificate

1 shall be printed on the registration receipt form and shall be
2 imprinted with the words "junking certificate", as prescribed
3 by the department. A space for transfer by endorsement
4 shall be on the junking certificate. A separate form for the
5 notation of the transfer of component parts shall be attached
6 to the junking certificate when the certificate is issued.

7 Sec. 18. Section 321.52, subsection 4, paragraphs a and b,
8 Code 2023, are amended to read as follows:

9 a. Notwithstanding any other provision of law to the
10 contrary, an insurer may apply for and be issued a salvage
11 certificate of title for a motor vehicle without surrendering
12 the certificate of title or manufacturer's or importer's
13 statement of origin properly assigned if ownership of the
14 vehicle was transferred, or will transfer, to the insurer
15 pursuant to a settlement with the previous owner of the vehicle
16 arising from circumstances involving damage to the vehicle,
17 and at least thirty days have expired since the effective
18 date of such settlement. To obtain a salvage certificate
19 of title pursuant to this paragraph "a", the insurer shall
20 submit an application for a salvage certificate of title to
21 ~~the any county treasurer of the county in which the vehicle~~
22 ~~is stored by or on behalf of the insurer.~~ The application
23 shall be accompanied by an affidavit from the insurer in
24 which the insurer certifies it has made at least two written
25 attempts to obtain a properly assigned certificate of title
26 or manufacturer's or importer's statement of origin for the
27 vehicle by contacting the previous owner of the vehicle and all
28 lienholders of record by certified mail or a similar service
29 that provides proof of service using a return receipt, and
30 has been unable to obtain the title or statement of origin.
31 The failure of a previous owner or lienholder to provide a
32 properly assigned certificate of title or manufacturer's or
33 importer's statement of origin shall be deemed to be a waiver
34 by the previous owner or lienholder of all rights, title,
35 claim, and interest in the vehicle. The application shall also

1 be accompanied by the application fee required under paragraph
 2 "b", and proof of payment of the total amount of the settlement
 3 by the insurer to the previous owner of the vehicle. Upon
 4 receiving an application that complies with this paragraph "a",
 5 the county treasurer shall issue a salvage certificate of title
 6 to the insurer which shall be free and clear of all liens and
 7 claims of ownership and shall bear the word "SALVAGE" stamped
 8 or printed on the face of the title in a manner prescribed by
 9 the department.

10 **b.** A vehicle rebuilder or a person engaged in the business
 11 of buying, selling, or exchanging vehicles of a type required
 12 to be registered in this state, upon acquisition of a wrecked
 13 or salvage vehicle, shall surrender the certificate of
 14 title or manufacturer's or importer's statement of origin
 15 properly assigned, together with an application for a salvage
 16 certificate of title, to the any county treasurer ~~of the county~~
 17 ~~of residence of the purchaser or transferee~~ within thirty
 18 days after the date of assignment of the certificate of title
 19 for the wrecked or salvage motor vehicle. **This subsection**
 20 applies only to vehicles with a fair market value of five
 21 hundred dollars or more, based on the value before the vehicle
 22 became wrecked or salvage. Upon payment of a fee of ~~ten~~ twenty
 23 dollars, the county treasurer shall issue a salvage certificate
 24 of title which shall bear the word "SALVAGE" stamped or
 25 printed on the face of the title in a manner prescribed by the
 26 department. A salvage certificate of title may be assigned
 27 to an educational institution, a new motor vehicle dealer
 28 licensed under **chapter 322**, a person engaged in the business of
 29 purchasing bodies, parts of bodies, frames or component parts
 30 of vehicles for sale as scrap metal, a salvage pool, or an
 31 authorized vehicle recycler licensed under **chapter 321H**. An
 32 authorized vehicle recycler licensed under **chapter 321H** or a
 33 new motor vehicle dealer licensed under **chapter 322** may assign
 34 or reassign an Iowa salvage certificate of title or a salvage
 35 certificate of title from another state to any person, and the

1 provisions of [section 321.24, subsection 5](#), requiring issuance
2 of an Iowa salvage certificate of title shall not apply. A
3 vehicle on which ownership has transferred to an insurer of
4 the vehicle as a result of a settlement with the owner of the
5 vehicle arising out of damage to, or unrecovered theft of, the
6 vehicle shall be deemed to be a wrecked or salvage vehicle
7 and the insurer shall comply with [this subsection](#) to obtain a
8 salvage certificate of title within thirty days after the date
9 of assignment of the certificate of title of the vehicle.

10 Sec. 19. Section 321.105A, subsection 2, unnumbered
11 paragraph 1, Code 2023, is amended to read as follows:

12 In addition to the annual registration fee required under
13 section 321.105, a "fee for new registration" is imposed in
14 the amount of ten dollars plus five percent of the purchase
15 price for each vehicle subject to registration. The fee for
16 new registration shall be paid by the owner of the vehicle to
17 the county treasurer at the time application is made for a new
18 initial registration and certificate of title, if applicable.
19 A new registration receipt shall not be issued until the
20 fee has been paid. The county treasurer or the department
21 of transportation shall require every applicant for a new
22 registration receipt for a vehicle subject to registration to
23 supply information as the county treasurer or the director
24 deems necessary as to the time of purchase, the purchase
25 price, and other information relative to the purchase of the
26 vehicle. On or before the tenth day of each month, the county
27 treasurer or the department of transportation shall remit
28 to the department of revenue the amount of the fees for new
29 registration collected during the preceding month.

30 Sec. 20. Section 321.105A, subsection 3, paragraph a, Code
31 2023, is amended to read as follows:

32 a. A fee for new registration is imposed in an amount equal
33 to ten dollars plus five percent of the leased price for each
34 vehicle subject to registration which is leased by a lessor
35 licensed pursuant to [chapter 321F](#) for a period of six months

1 or more. The fee for new registration shall be paid by the
2 owner of the vehicle to the county treasurer from whom the
3 registration receipt or certificate of title is obtained. A
4 registration receipt for a vehicle subject to registration or
5 issuance of a certificate of title shall not be issued until
6 the fee for new registration is paid in the initial instance.

7 Sec. 21. Section 321.109, subsection 1, paragraph a, Code
8 2023, is amended to read as follows:

9 a. The annual fee for all motor vehicles including vehicles
10 designated by manufacturers as station wagons, 1993 and
11 subsequent model year multipurpose vehicles, and 2010 and
12 subsequent model year motor trucks with an unladen weight of
13 ten thousand pounds or less, except motor trucks registered
14 under [section 321.122](#), business-trade trucks, special trucks,
15 motor homes, motorsports recreational vehicles, ambulances,
16 hearses, autocycles, motorcycles, motorized bicycles, and 1992
17 and older model year multipurpose vehicles, shall be equal
18 to one percent of the value as fixed by the department plus
19 forty cents for each one hundred pounds or fraction thereof
20 of weight of vehicle, as fixed by the department. The weight
21 of a motor vehicle, fixed by the department for registration
22 purposes, shall include the weight of a battery, heater,
23 bumpers, spare tire, and wheel. Provided, however, that for
24 any new vehicle purchased in this state by a nonresident
25 for removal to the nonresident's state of residence the
26 purchaser may make application to ~~the~~ any county treasurer
27 ~~in the county of purchase~~ for a transit plate for which a
28 fee of ten dollars shall be paid. And provided, however,
29 that for any used vehicle held by a registered dealer and
30 not currently registered in this state, or for any vehicle
31 held by an individual and currently registered in this state,
32 when purchased in this state by a nonresident for removal
33 to the nonresident's state of residence, the purchaser may
34 make application to ~~the~~ any county treasurer ~~in the county~~
35 ~~of purchase~~ for a transit plate for which a fee of three

1 dollars shall be paid. The county treasurer shall issue a
2 nontransferable certificate of registration for which no
3 refund shall be allowed; and the transit plates shall be void
4 thirty days after issuance. Such purchaser may apply for a
5 certificate of title by surrendering the manufacturer's or
6 importer's certificate or certificate of title, duly assigned
7 as provided in [this chapter](#). In this event, the county
8 ~~treasurer in the county of purchase~~ shall, when satisfied with
9 the genuineness and regularity of the application, and upon
10 payment of a fee of ~~twenty~~ thirty dollars, issue a certificate
11 of title in the name and address of the nonresident purchaser
12 delivering the title to the owner. If there is a security
13 interest noted on the title, the county treasurer shall mail
14 to the secured party an acknowledgment of the notation of the
15 security interest. The county treasurer shall not release a
16 security interest that has been noted on a title issued to
17 a nonresident purchaser as provided in this paragraph. The
18 application requirements of [section 321.20](#) apply to a title
19 issued as provided in [this subsection](#), except that a natural
20 person who applies for a certificate of title shall provide
21 either the person's social security number, passport number,
22 or driver's license number, whether the license was issued by
23 this state, another state, or another country. The provisions
24 of [this subsection](#) relating to multipurpose vehicles are
25 effective for all 1993 and subsequent model years. The annual
26 registration fee for multipurpose vehicles that are 1992 model
27 years and older shall be in accordance with [section 321.124](#).

28 Sec. 22. Section 321.109, subsection 3, Code 2023, is
29 amended to read as follows:

30 3. The owner of an unregistered motor vehicle or motor
31 vehicle for which the registration is delinquent may make
32 application to the any county treasurer ~~of the county of~~
33 ~~residence or, if the unregistered or delinquent motor vehicle~~
34 ~~is purchased by a nonresident of the state, to the county~~
35 ~~treasurer in the county of purchase,~~ for a temporary thirty-day

1 permit for a fee of twenty-five dollars. The permit shall
2 authorize the motor vehicle to be driven or towed upon the
3 highway, but shall not authorize a motor truck or truck tractor
4 to haul or tow a load. The permit fee shall not be considered a
5 registration fee or exempt the owner from payment of all other
6 fees, registration fees, and penalties due. If the annual
7 registration fee for the motor vehicle is delinquent, the
8 annual registration fee and penalty shall continue to accrue
9 until paid. The permit fee shall not be prorated, refunded, or
10 used as credit as provided under [section 321.46](#). The permit
11 shall be displayed in the upper left-hand corner of the rear
12 window of all motor vehicles, except motorcycles. Permits
13 issued for a motorcycle shall be attached to the rear of the
14 motorcycle.

15 Sec. 23. Section 321.126, subsection 1, paragraph g, Code
16 2023, is amended to read as follows:

17 *g.* If the vehicle was leased and an affidavit was filed
18 by the lessor or the lessee as provided in [section 321.46](#),
19 the lessor or the lessee, as applicable, may make a claim for
20 a refund with the county treasurer of the county where the
21 vehicle was registered within six months of the vehicle's
22 surrender to the lessor. The refund shall be paid to either
23 the lessor or the lessee, as specified on the application for
24 title and initial registration pursuant to [section 321.20](#).

25 Sec. 24. Section 321.152, subsection 1, paragraphs b, d, and
26 f, Code 2023, are amended to read as follows:

27 *b.* ~~Two~~ Twelve dollars and fifty cents from each fee
28 collected for certificates of title.

29 *d.* ~~Sixty percent~~ Sixteen dollars of ~~all fees~~ each fee
30 collected for perfection of security interests.

31 *f.* ~~One dollar~~ Eleven dollars from each fee for new
32 registration collected pursuant to [section 321.105A](#).

33 Sec. 25. EFFECTIVE DATE. This Act takes effect January 1,
34 2024.

35

EXPLANATION

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

3 Under current law, only certain county treasurers are
4 allowed to do certain actions relating to motor vehicle
5 registration and titling. This bill provides that any county
6 treasurer can do any of the following: accept applications
7 for initial registration and issue initial registrations
8 and certificates of title to owners of vehicles, owners of
9 commercial vehicles, owners of certain foreign vehicles, owners
10 of transferred vehicles, owners of vehicles with a lost or
11 damaged certificate of title, owners of vehicles transferred by
12 law, and nonresident purchasers of vehicles; accept the return
13 of an original certificate of title from a lienholder; issue an
14 original certificate of title to a new purchaser or transferee
15 who presents an assigned replacement copy; receive affidavits
16 certifying the sale or transfer of ownership of a vehicle;
17 issue certificates of title to dealers in possession of foreign
18 registered vehicles; receive applications for the transfer
19 of registration and certificates of title; perfect security
20 interests; accept certificates of title, or other forms,
21 noting that a security interest has been discharged; receive
22 certificates of title of vehicles that have been sold for scrap
23 or junk; accept applications for salvage certificates of title;
24 receive certificates of title of a wrecked or salvage vehicle;
25 and accept applications and issue temporary permits for
26 vehicles that are unregistered or have delinquent registration.

27 The bill increases the following fees from \$20 to \$30:
28 applications for initial registration and issuance of a
29 certificate of title for a vehicle, applications for initial
30 registration and issuance of a certificate of title for a
31 commercial vehicle, applications for initial registration
32 of a vehicle failing to meet the equipment requirements of
33 Code chapter 321, applications for a replacement copy of an
34 original certificate of title, applications for a new initial
35 registration and a new title upon transfer, applications for

1 initial registration and issuance of a certificate of title for
2 a vehicle transferred by operation of law, and applications for
3 certificate of title to a nonresident purchaser.

4 The bill increases the following fees from \$10 to \$20:
5 applications by a manufacturer for a certificate of title
6 pursuant to Code section 322G.12, applications to perfect
7 a security interest in a vehicle by delivery to a county
8 treasurer, and applications for the issuance of a salvage
9 certificate of title.

10 The bill increases the fee for applications for certificates
11 of title by a dealer for a foreign registered vehicle from \$5
12 to \$15.

13 Pursuant to current law, the bill requires an application
14 for renewal of registration for a vehicle to be submitted to
15 the county treasurer of the county of the owner's residence,
16 or if a nonresident or a firm, association, or corporation
17 with vehicles in multiple counties, to the county treasurer of
18 the county where the primary users of the vehicle are located,
19 or if a lessor of the vehicle, to the county treasurer of the
20 county of the lessee's residence. However, the bill does not
21 change the requirement under Code section 321.166 that every
22 registration plate issued by a county treasurer must display
23 the name of the county where the plate is issued. Under the
24 bill, a person may register a vehicle other than by renewal in
25 any county.

26 The bill amends Code section 321.20(2) by striking the
27 current date by which the department of transportation (DOT)
28 is required to develop and implement a program to allow for
29 electronic applications, titling, initial registrations, and
30 funds transfers for vehicles subject to registration.

31 Current law provides that, in addition to the annual
32 registration fee, a fee for new registration is imposed
33 in the amount of 5 percent of the purchase price for each
34 vehicle subject to registration. The bill increases the fee
35 by providing that the fee for new registration is \$10 plus

H.F. 674

1 5 percent of the purchase price of each vehicle subject to
2 registration. Furthermore, the bill increases the fee for
3 new registration of leased vehicles by imposing a \$10 fee in
4 addition to 5 percent of the leased price.

5 Lastly, the bill changes the amounts of certain fees a county
6 treasurer may retain for deposit in the county general fund.
7 The bill provides the treasurer may retain \$12.50 from each
8 fee collected for certificates of title, \$16 from each fee
9 collected for perfection of security interests, and \$11 from
10 each fee for new registration. Article VII, section 8, of the
11 Iowa Constitution requires a county to use the amount retained
12 from fees for new registration for purposes of administering
13 motor vehicle registration fees.

14 The bill makes conforming changes to Code sections 321.25,
15 321.26, 321.29, and 321.126.

16 The bill takes effect January 1, 2024.