

House File 2352 - Introduced

HOUSE FILE 2352
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HF 129)

A BILL FOR

1 An Act relating to the minimum amounts required for motor vehicle
2 financial responsibility, and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 321A.1, subsection 11, Code 2025, is
2 amended to read as follows:

3 11. "Proof of financial responsibility" means proof of
4 ability to respond in damages for liability, on account of
5 accidents occurring subsequent to the effective date of the
6 proof, arising out of the ownership, maintenance, or use of a
7 motor vehicle, in the amount of ~~twenty~~ fifty thousand dollars
8 because of bodily injury to or death of one person in any one
9 accident, and, subject to the limit for one person, the amount
10 of ~~forty~~ one hundred thousand dollars because of bodily injury
11 to or death of two or more persons in any one accident, and the
12 amount of ~~fifteen~~ fifty thousand dollars because of injury to or
13 destruction of property of others in any one accident.

14 Sec. 2. Section 321A.5, subsection 3, Code 2025, is amended
15 to read as follows:

16 3. A policy or bond is not effective under this section
17 unless issued by an insurance company or surety company
18 authorized to do business in this state, except that if the
19 motor vehicle was not registered in this state, or was a motor
20 vehicle which was registered elsewhere than in this state at
21 the effective date of the policy or bond, or the most recent
22 renewal thereof, the policy or bond is not effective under this
23 section unless the insurance company or surety company if not
24 authorized to do business in this state executes a power of
25 attorney authorizing the department to accept service on its
26 behalf of notice or process in any action upon the policy or
27 bond arising out of the accident. Every such policy or bond
28 is subject, if the accident has resulted in bodily injury or
29 death, to a limit, exclusive of interest and costs, of not less
30 than ~~twenty~~ fifty thousand dollars because of bodily injury to or
31 death of one person in any one accident and, subject to the limit
32 for one person, to a limit of not less than ~~forty~~ one hundred
33 thousand dollars because of bodily injury to or death of two
34 or more persons in any one accident, and, if the accident has
35 resulted in injury to or destruction of property, to a limit of

1 not less than ~~fifteen~~ fifty thousand dollars because of injury to
2 or destruction of property of others in any one accident.

3 Sec. 3. Section 321A.15, subsection 1, paragraphs a, b, and
4 c, Code 2025, are amended to read as follows:

5 a. When ~~twenty~~ fifty thousand dollars has been credited upon
6 any judgment or judgments rendered in excess of that amount
7 because of bodily injury to or death of one person as the result
8 of any one accident.

9 b. When, subject to the limit of ~~twenty~~ fifty thousand
10 dollars because of bodily injury to or death of one person,
11 the sum of ~~forty~~ one hundred thousand dollars has been credited
12 upon any judgment or judgments rendered in excess of that amount
13 because of bodily injury to or death of two or more persons as
14 the result of any one accident.

15 c. When ~~fifteen~~ fifty thousand dollars has been credited upon
16 any judgment or judgments rendered in excess of that amount
17 because of injury to or destruction of property of others as a
18 result of any one accident.

19 Sec. 4. Section 321A.21, subsection 2, paragraph b, Code
20 2025, is amended to read as follows:

21 b. Shall insure the person named in the policy and any other
22 person, as insured, using the motor vehicles with the express
23 or implied permission of the named insured, against loss from
24 the liability imposed by law for damages arising out of the
25 ownership, maintenance, or use of the motor vehicles within the
26 United States of America or the Dominion of Canada, subject to
27 limits exclusive of interest and costs, with respect to each such
28 motor vehicle, ~~twenty~~ fifty thousand dollars because of bodily
29 injury to or death of one person in any one accident and, subject
30 to said limit for one person, ~~forty~~ one hundred thousand dollars
31 because of bodily injury to or death of two or more persons
32 in any one accident, and ~~fifteen~~ fifty thousand dollars because
33 of injury to or destruction of property of others in any one
34 accident.

35 Sec. 5. Section 321F.1, subsection 3, paragraph a, Code 2025,

1 responsibility under Code chapter 321F (leasing and renting of
2 vehicles) (\$10,000 to \$50,000) and for drivers while not engaged
3 in a prearranged ride under Code chapter 321N (transportation
4 network companies) (\$25,000 to \$50,000). Under current law, the
5 minimum amount of coverage required under those circumstances is
6 already \$50,000 and \$100,000 for bodily injury or death of one
7 person and two or more persons, respectively.

8 A person who violates a provision of Code chapter 321A
9 which does not otherwise provide a penalty commits a serious
10 misdemeanor, punishable by confinement for no more than one year
11 and a fine of at least \$430 but not more than \$2,560.

12 In addition, Code section 321.20B prohibits a person,
13 including a transportation network company driver, from driving
14 a motor vehicle unless financial liability coverage is in
15 effect for the vehicle and the person carries proof of such
16 coverage. By operation of law, the associated coverage amounts
17 are increased by the bill. A person who violates Code section
18 321.20B commits a simple misdemeanor punishable by a \$325
19 scheduled fine. If a violation is discovered in connection with
20 a motor vehicle accident, the fine increases to \$645. The person
21 is also subject to possible removal of the vehicle's registration
22 plates and registration receipt, and impoundment of the vehicle.

23 A person who violates a provision of Code chapter 321F
24 is guilty of a simple misdemeanor. A simple misdemeanor is
25 punishable by confinement for no more than 30 days and a fine of
26 at least \$105 but not more than \$855.