

House File 2578 - Introduced

HOUSE FILE 2578
BY LUNDGREN

A BILL FOR

1 An Act relating to registration and titling of certain trailers.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.50, subsection 1, Code 2026, is
2 amended to read as follows:

3 1. A security interest in a vehicle subject to registration
4 under the laws of this state, except ~~trailers whose empty~~
5 ~~weight is two thousand pounds or less, and except~~ new or used
6 vehicles held by a dealer or manufacturer as inventory for sale,
7 is perfected by the delivery to any county treasurer of an
8 application for certificate of title which lists the security
9 interest, or an application for notation of security interest
10 signed by the owner or by one owner of a vehicle owned jointly
11 by more than one person, or signed through electronic means
12 as determined by the department, or a certificate of title
13 from another jurisdiction which shows the security interest, and
14 payment of a fee of twenty dollars for each security interest
15 shown. The security interest in a mobile home or manufactured
16 home is perfected by the delivery to the county treasurer of
17 the county where the certificate of title was issued or, in the
18 case of a new certificate, to the county treasurer where the
19 certificate will be issued, of an application for certificate
20 of title which lists the security interest, or an application
21 for notation of security interest signed by the owner or by
22 one owner when owned jointly by more than one person, or signed
23 through electronic means as determined by the department, or a
24 certificate of title from another jurisdiction which shows the
25 security interest, and payment of a fee of twenty dollars for
26 each security interest shown. The department shall require the
27 federal employer identification number of a secured party who is
28 a firm, association, or corporation or, if a natural person, the
29 social security number. Upon delivery of the application and
30 payment of the fee, the county treasurer shall note the date of
31 delivery on the application. If the delivery is by electronic
32 means and the time is electronically recorded on the application
33 along with the date, the time shall be included with the date on
34 all subsequent documents and records where the date of perfection
35 is required under this chapter. The date of delivery shall be

1 the date of perfection of the security interest in the vehicle,
2 regardless of the date the security interest is noted on the
3 certificate of title. Up to three security interests may be
4 perfected against a vehicle and shown on an Iowa certificate of
5 title. If the owner or secured party is in possession of the
6 certificate of title, it must also be delivered at this time.
7 If a vehicle is subject to a security interest when brought into
8 this state, the validity of the security interest and the date
9 of perfection is determined by section 554.9303. Delivery as
10 provided in this subsection constitutes perfection of a security
11 interest on a certificate of title for purposes of this chapter
12 and chapter 554.

13 Sec. 2. Section 321.123, subsection 1, paragraph a,
14 unnumbered paragraph 1, Code 2026, is amended to read as follows:

15 All trailers except ~~farm trailers,~~ mobile homes, and
16 manufactured homes, unless otherwise provided in this section,
17 are subject to an annual registration fee as follows:

18 Sec. 3. Section 321.123, subsection 1, paragraph b, Code
19 2026, is amended by striking the paragraph.

20 EXPLANATION

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

23 Under current law, farm trailers are not subject to an annual
24 registration fee. In addition, trailers for which the empty
25 weight is 2,000 pounds or less are exempt from the certificate
26 of title and lien provisions of Code chapter 321 (motor vehicles
27 and law of the road).

28 This bill strikes the certificate of title and lien provisions
29 exemption for trailers weighing 2,000 pounds or less. The
30 fee for issuance of a certificate of title is \$30 and a
31 county treasurer is required to add a \$5 surcharge. The fee
32 and surcharge must be deposited in the statutory allocations
33 fund under Code section 321.145. The bill also strikes the
34 farm trailer annual registration fee exemption. The annual
35 registration fee is \$20 for a trailer weighing 2,000 pounds or

1 less and \$30 for a trailer weighing more than 2,000 pounds.

2 The bill does not amend the exemption under current law
3 to exclude the gross weight of a trailer in calculating the
4 registered combined gross weight of a motor truck used in certain
5 farming operations (Code section 321.123(3)(a)).

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