

House File 357 - Introduced

HOUSE FILE 357

BY B. MEYER

A BILL FOR

1 An Act relating to the acquisition of certain vehicles by a
2 vehicle recycler, and making penalties applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 321.52, subsection 2, paragraph b, Code
2 2025, is amended to read as follows:

3 b. The owner of a motor vehicle subject to registration ~~that~~
4 who does not have a certificate of title or a junking certificate
5 may dispose of the vehicle to a vehicle recycler licensed under
6 chapter 321H for scrap or junk if the vehicle is twelve model
7 years old or older and is acquired by the vehicle recycler for
8 reasonable consideration equaling less than one thousand dollars.
9 A licensed vehicle recycler shall not acquire such a vehicle
10 unless the recycler verifies there is not a lienholder who has
11 a security interest in the vehicle.

12 EXPLANATION

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

15 Under current law, the purchaser or transferee of a motor
16 vehicle sold for scrap or junk is required to surrender the
17 certificate of title, properly endorsed and signed by the
18 previous owner, to a county treasurer, and apply for a junking
19 certificate from the county treasurer, within 30 days after
20 assignment of the certificate of title. However, a vehicle owner
21 may dispose of the vehicle to a vehicle recycler licensed under
22 Code chapter 321H (vehicle recyclers) for scrap or junk without
23 presenting a certificate of title or a junking certificate if the
24 vehicle is 12 model years old or older and is acquired by the
25 vehicle recycler for reasonable consideration equaling less than
26 \$1,000.

27 This bill prohibits a licensed vehicle recycler from acquiring
28 such a vehicle unless the recycler verifies that there is not a
29 lienholder who has a security interest in the vehicle.

30 By operation of law, a violation of the bill is a simple
31 misdemeanor punishable by a scheduled fine of \$135.