

House File 79 - Introduced

HOUSE FILE 79
BY JONES

A BILL FOR

1 An Act requiring proof of a valid driver's license and financial
2 liability coverage to renew the registration of a vehicle.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 321.40, subsection 1, Code 2025, is
2 amended to read as follows:

3 1. Application for renewal for a vehicle registered under
4 this chapter shall be made on or after the first day of the
5 month prior to the month of expiration of registration and up to
6 and including the last day of the month following the month of
7 expiration of registration. The application for renewal shall be
8 submitted to the county treasurer of the county of the owner's
9 residence; or if a nonresident, to the county treasurer of the
10 county where the primary users of the vehicle are located; or
11 if a lessor of the vehicle pursuant to chapter 321F which has
12 a gross vehicle weight of less than ten thousand pounds, to
13 the county treasurer of the county of the lessee's residence;
14 or if a firm, association, or corporation with vehicles in
15 multiple counties, to the county treasurer of the county where
16 the primary user of the vehicle is located. The registration
17 shall be renewed ~~upon payment of~~ if the applicant presents
18 satisfactory proof that the owner, lessee, or primary user of the
19 vehicle holds a valid driver's license and, unless excluded from
20 the requirements of section 321.20B, that financial liability
21 coverage is in effect for the motor vehicle pursuant to section
22 321.20B, and pays the appropriate annual registration fee.

23 Application for renewal for a vehicle registered under chapter
24 326 shall be made on or after the first day of the month prior to
25 the month of expiration of registration and up to and including
26 the last day of the month of expiration of registration.

27 Sec. 2. Section 321.40, Code 2025, is amended by adding the
28 following new subsection:

29 NEW SUBSECTION. 8A. The department or county treasurer shall
30 refuse to renew the registration of a vehicle if the applicant
31 does not present satisfactory proof that the owner, lessee,
32 or primary user of the vehicle holds a valid driver's license
33 or, unless excluded from the requirements of section 321.20B,
34 that financial liability coverage is in effect for the vehicle
35 pursuant to section 321.20B.

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EXPLANATION

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

Under current law, an annual vehicle registration is required to be renewed upon payment of the appropriate fee. This bill requires the applicant for registration renewal to also present satisfactory proof that the owner, lessee, or primary user of the vehicle holds a valid driver's license and, unless excluded from the requirements of Code section 321.20B, that financial liability coverage is in effect for the vehicle. The department of transportation or county treasurer is required to refuse registration renewal if an applicant does not comply with the bill.

Financial liability coverage is generally required to be in effect for every motor vehicle driven on Iowa highways. However, the requirement does not apply to vehicles owned by or leased to the United States, Iowa, or another state, or any political subdivision thereof; vehicles subject to Code section 325A.6 (motor carrier insurance); certain motor vehicles not subject to registration (Code section 321.18); a lienholder with a security interest in a motor vehicle that does not drive or move the vehicle; and motor vehicles owned by a motor vehicle dealer or wholesaler licensed pursuant to Code chapter 322.