

House Study Bill 667 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON JONES)

A BILL FOR

- 1 An Act relating to abandoned vehicles.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 321.88, Code 2026, is amended to read as
2 follows:

3 **321.88 Failure of owner to claim.**

4 If the owner does not appear within forty days, the motor
5 vehicle shall be deemed abandoned and the officer having
6 possession of the motor vehicle shall proceed as provided in
7 section 321.89, ~~subsections 3 and 5.~~

8 Sec. 2. Section 321.89, Code 2026, is amended by striking the
9 section and inserting in lieu thereof the following:

10 **321.89 Abandoned vehicles.**

11 1. *Authority to tow and impound.* An abandoned vehicle may be
12 towed and impounded as follows:

13 a. If an abandoned vehicle is located on public property:

14 (1) Except as provided in subparagraph (2), a police
15 authority shall tow and impound the vehicle.

16 (2) Alternatively, a police authority may hire a garagekeeper
17 to tow and impound the vehicle, and the police authority shall
18 provide the garagekeeper with the name and address of the
19 registered owner and, if applicable, any lienholder and known
20 claimants of the vehicle or personal property inside the vehicle.

21 b. If an abandoned vehicle is located on private property:

22 (1) A police authority may tow and impound the vehicle.

23 (2) A person who owns the private property or is otherwise in
24 control of the private property may hire a garagekeeper to tow
25 and impound the abandoned vehicle without a police authority's
26 initiative.

27 2. *Required notice.*

28 a. Within twenty days after towing an abandoned vehicle, the
29 person who impounded the vehicle shall send notice by certified
30 mail to the registered owner and, if applicable, any lienholder
31 and known claimants of the vehicle or personal property inside
32 the vehicle.

33 b. Notice must include all of the following:

34 (1) A description of the year, make, model, and vehicle
35 identification number of the vehicle.

1 (2) The location of the vehicle.

2 (3) A statement that the person has ten days to reclaim the
3 vehicle or personal property from inside the vehicle, and that
4 the ten-day reclamation period began on the date the notice was
5 mailed.

6 (4) A statement that the vehicle and personal property inside
7 the vehicle cannot be reclaimed until the person pays all towing
8 and impound fees and the costs of giving notice.

9 (5) A statement that failure to reclaim the vehicle or
10 personal property within ten days of the notice being mailed
11 constitutes a waiver of any interest in the vehicle or personal
12 property.

13 (6) A statement that failure to reclaim the vehicle or
14 personal property is deemed consent for the person who impounded
15 the vehicle to sell or dispose of the vehicle and personal
16 property inside the vehicle, as applicable.

17 (7) If the abandoned vehicle was taken into custody by a
18 garagekeeper without a police authority's initiative, a statement
19 that the garagekeeper may claim a lien as described in section
20 321.90, subsection 1.

21 (8) If the abandoned vehicle was taken into custody by
22 a police authority or by a garagekeeper hired by a police
23 authority, a statement that a person who disputes the assessment
24 of fees or the planned disposition of the vehicle or personal
25 property may request an evidentiary hearing before the police
26 authority to contest those matters.

27 c. Notice shall be deemed given when mailed.

28 d. Notwithstanding paragraph "a", if it is impossible to
29 determine with reasonable certainty the identity and address
30 of the last registered owner or any lienholder, notice by one
31 publication in one newspaper of general circulation in the
32 area where the vehicle was abandoned is sufficient in lieu of
33 sending notice by certified mail. The published notice shall be
34 published within the same time requirements and provide the same
35 information required under paragraph "b". Notice published in a

1 newspaper may contain multiple listings of abandoned vehicles.

2 3. *Reclamation.* A person may reclaim an abandoned vehicle
3 or personal property from inside the vehicle upon payment of
4 all towing, notice, and impoundment fees. Prior to driving
5 an abandoned vehicle away from the premises, the driver shall
6 present to the police authority or garagekeeper, as applicable, a
7 valid driver's license and proof of financial liability coverage
8 as provided in section 321.20B.

9 4. *Limited liability.* An owner, lienholder, or other
10 claimant of an abandoned vehicle shall not have a cause of action
11 against a garagekeeper for action taken pursuant to this section
12 if the garagekeeper provided notice in accordance with subsection
13 2.

14 5. *Failure to reclaim.* If a person who received notice
15 did not ask for a hearing or reclaim an abandoned vehicle
16 or personal property within the ten-day reclaiming period, the
17 person forfeits ownership of the vehicle and a court shall not
18 recognize the person's title, right, claim, or interest in the
19 abandoned vehicle, or personal property inside the vehicle.

20 6. *Vehicles sold for highway use.*

21 a. If an abandoned vehicle has not been reclaimed, the person
22 who impounded the vehicle shall make a determination as to
23 whether the vehicle will be sold for use upon the highways. If
24 the vehicle is sold for use upon the highways, the vehicle shall
25 be sold at a public auction.

26 b. The purchaser of an abandoned vehicle sold at a public
27 auction takes title free and clear of all liens and claims of
28 ownership and is entitled to register the vehicle and receive a
29 certificate of title. The person who impounded the vehicle shall
30 provide a sales receipt to the purchaser.

31 7. *Vehicles sold for junk or scrap.*

32 a. If an abandoned vehicle has not been reclaimed and is not
33 sold at public auction for use upon the highways, it shall be
34 sold for junk, or demolished and sold as scrap.

35 b. The purchaser of an abandoned vehicle sold for junk or

1 scrap takes title free and clear of all liens and claims of
2 ownership. The person who impounded the vehicle shall provide
3 a sales receipt to the purchaser.

4 c. If the vehicle is sold to a demolisher for junk, the
5 demolisher shall make application for a junking certificate to
6 the county treasurer within thirty days of purchase and shall
7 surrender the sales receipt in lieu of the certificate of title.

8 8. *Sale proceeds.*

9 a. If a police authority did not hire a garagekeeper, the
10 police authority shall reimburse itself from the proceeds of the
11 sale of an abandoned vehicle. Except for costs of bookkeeping
12 and other administrative costs, the police authority may retain
13 proceeds from the sale for expenses incurred, including but not
14 limited to expenses for any of the following:

15 (1) The public auction.

16 (2) Towing the vehicle.

17 (3) Impounding the vehicle.

18 (4) Giving notice pursuant to subsection 2.

19 (5) Inspecting the vehicle.

20 b. Any remainder from the proceeds of a sale shall be held
21 for the owner of the vehicle or lienholder for ninety days.
22 After ninety days, unclaimed proceeds shall be deposited in the
23 road use tax fund.

24 c. If the proceeds from a sale of an abandoned vehicle are
25 insufficient to cover the incurred expenses, the police authority
26 shall be paid from the road use tax fund. The last owner of
27 the vehicle is liable for reimbursing the road use tax fund,
28 including jointly and severally if there was more than one owner.

29 d. The department shall adopt rules pursuant to chapter
30 17A providing a claims process for a police authority to
31 obtain moneys from the road use tax fund to cover expenses
32 incurred, including expenses owed to a garagekeeper hired by
33 a police authority to tow and impound an abandoned vehicle.
34 If a garagekeeper was hired by a police authority, the
35 police authority shall file a claim with the department for

1 reimbursement of towing fees which shall be paid from the road
2 use tax fund.

3 9. *Definitions.* As used in this section, and sections 321.90
4 and 321.91:

5 a. "*Abandoned vehicle*" means any of the following:

6 (1) A vehicle that has been left unattended on public
7 property for more than twenty-four hours and lacks current
8 registration plates or two or more wheels or other parts which
9 render the vehicle totally inoperable.

10 (2) A vehicle that has remained illegally on public property
11 for more than twenty-four hours.

12 (3) A vehicle that has been illegally parked on private
13 property or has been placed on private property without the
14 consent of the owner or person in control of the property for
15 more than twenty-four hours.

16 (4) A vehicle that has been legally impounded by order of
17 a police authority and has not been reclaimed for a period
18 of ten days. However, a police authority may declare the
19 vehicle abandoned within the ten-day period by commencing the
20 notification process in subsection 2.

21 (5) A vehicle parked on a highway determined by a police
22 authority to create a hazard to other vehicle traffic.

23 (6) A vehicle that has been impounded pursuant to section
24 321J.4B by order of a court and the vehicle owner has not paid
25 the impoundment fees after notification by the person or agency
26 responsible for impounding the vehicle.

27 b. "*Demolisher*" means a person licensed under chapter 321H
28 whose business it is to convert a vehicle to junk, processed
29 scrap, or scrap metal, or otherwise to wreck or dismantle
30 vehicles.

31 c. "*Garagekeeper*" means any operator of a parking place or
32 establishment, motor vehicle storage facility, or establishment
33 for the servicing, repair, or maintenance of motor vehicles.

34 d. "*Police authority*" means the state patrol, any law
35 enforcement agency of a county or city, or any special security

1 officer employed by the state board of regents under section
2 262.13.

3 Sec. 3. Section 321.90, subsection 1, Code 2026, is amended
4 to read as follows:

5 1. *Garagekeepers and abandoned motor vehicles.* Any motor
6 vehicle left in a garage operated for commercial purposes
7 after the period for which the vehicle was to remain on the
8 premises shall, after notice by certified mail to the last
9 known registered owner of the vehicle addressed to the owner's
10 last known address of record to reclaim the vehicle within ten
11 days of the date of the notice, be deemed an abandoned motor
12 vehicle unless reclaimed by the owner within such ten-day period
13 or the owner notifies the garagekeeper in writing within such
14 period of time that such vehicle is not an abandoned motor
15 vehicle and shall be reported by the garagekeeper to the police
16 authority. If the identity or address of the last registered
17 owner of the motor vehicle cannot be determined, the vehicle
18 shall be deemed an abandoned motor vehicle on the eleventh day
19 after the period for which the vehicle was to remain on the
20 premises unless reclaimed by the owner within the ten-day period
21 or the owner notifies the garagekeeper in writing within such
22 period of time that such vehicle is not an abandoned motor
23 vehicle and shall be reported by the garagekeeper to the police
24 authority. All abandoned motor vehicles left in garages may
25 be taken into custody by a police authority upon the request
26 of the garagekeeper and sold in accordance with the procedures
27 set forth in section 321.89, ~~subsection 5,~~ unless the motor
28 vehicle is reclaimed. The proceeds of the sale shall be first
29 applied to the garagekeeper's charges for towing and storage,
30 and any surplus proceeds shall be distributed in accordance with
31 section 321.89, ~~subsection 5.~~ Nothing in this section shall
32 be construed to impair any lien of a garagekeeper under the
33 laws of this state, or the right of a garagekeeper to foreclose
34 the garagekeeper's lien, provided that a garagekeeper shall be
35 deemed to have abandoned the garagekeeper's artisan lien when

1 such vehicle is taken into custody by the police authority. For
2 the purposes of this section "garagekeeper" means any operator of
3 a parking place or establishment, motor vehicle storage facility,
4 or establishment for the servicing, repair, or maintenance of
5 motor vehicles.

6 Sec. 4. Section 321.90, subsection 2, paragraphs c, d, e, and
7 g, Code 2026, are amended to read as follows:

8 c. If the police authority finds that the application is
9 executed in proper form, and shows that the motor vehicle has
10 been abandoned upon the property of the applicant, or if it
11 shows that the motor vehicle is not abandoned but that the
12 applicant appears to be the rightful owner, the police authority
13 shall follow appropriate notification procedures as set forth in
14 section 321.89, ~~subsection 3~~, except that in the case of an order
15 for disposal obtained pursuant to section 555B.8, subsection 3,
16 no notification is required.

17 d. If the abandoned motor vehicle is not reclaimed in
18 accordance with section 321.89, ~~subsection 3~~, or no lienholder
19 objects to the disposal in the case of an owner-applicant,
20 the police authority shall give the applicant a certificate of
21 authority allowing the applicant to obtain a junking certificate
22 for the motor vehicle. The applicant shall make application for
23 a junking certificate to the county treasurer within thirty days
24 of receipt of the certificate of authority and surrender the
25 certificate of authority in lieu of the certificate of title.
26 The demolisher shall accept the junking certificate in lieu of
27 the certificate of title to the motor vehicle.

28 e. Notwithstanding any other provisions of this section and
29 sections 321.89 and 321.91, any person, firm, corporation, or
30 unit of government upon whose property or in whose possession
31 is found any abandoned motor vehicle, or any person being the
32 owner of a motor vehicle whose title certificate is faulty, lost,
33 or destroyed, may dispose of such motor vehicle to a demolisher
34 for junk without a title and without the notification procedures
35 of section 321.89, ~~subsection 3~~, if the motor vehicle lacks an

1 engine or two or more wheels or other structural part which
2 renders the vehicle totally inoperable. The police authority
3 shall give the applicant a certificate of authority. The owner
4 shall apply to the county treasurer for a junking certificate
5 within thirty days of receipt of the certificate of authority
6 and shall surrender the certificate of authority in lieu of the
7 certificate of title.

8 g. Any proceeds from the sale of an abandoned motor vehicle
9 to a demolisher under this section, by one other than the owner
10 of the vehicle, except the sale of a vehicle pursuant to an order
11 for disposal obtained pursuant to section 555B.8, subsection 3,
12 shall first be applied to that person's expenses in effecting the
13 sale, including storage, towing, and disposal charges, and any
14 surplus shall be distributed in accordance with section 321.89,
15 ~~subsection 5~~. The proceeds from the sale of a vehicle disposed
16 of pursuant to section 555B.8, subsection 3, shall be distributed
17 in accordance with section 555B.9.

18 EXPLANATION

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

21 This bill rewrites and reorganizes current Code section
22 321.89, regulating the towing, impounding, reclaiming, and
23 selling of abandoned vehicles, and providing required notice.
24 The bill does not amend substantive provisions under current law,
25 but makes changes to enhance readability.

26 The bill amends Code sections 321.88 and 321.90 to update
27 references to Code section 321.89 by striking subsection
28 references that are amended by the bill. The bill also defines
29 "garagekeeper" in Code section 321.89 using the definition in
30 current Code section 321.90 and strikes the definition from Code
31 section 321.90.