

Senate File 230 - Introduced

SENATE FILE 230
BY WAHLS

A BILL FOR

- 1 An Act relating to towing or impounding vehicles, and making
- 2 penalties applicable.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **321.83 Towing vehicles.**

2 1. A person shall not tow or impound a motor vehicle without
3 the owner's consent, unless the person does all of the following:

4 a. Posts signs in a manner to provide notice that an
5 unauthorized vehicle parked on private property, as described on
6 the sign, will be towed and the location where a towed vehicle
7 will be impounded.

8 b. Documents the towing, including by taking and keeping
9 photographs of the vehicle prior to initiating the tow, after the
10 vehicle is secured for towing, and after the vehicle is parked
11 following the tow.

12 c. Maintains accurate records of the vehicle towed, including
13 all of the following:

14 (1) The vehicle's make, model, and registration plate number.

15 (2) The date and time of the tow.

16 (3) The location from which the vehicle was towed.

17 (4) The contact information for the person who authorized the
18 tow.

19 2. A person who initiates a tow shall cease all towing
20 actions if the vehicle owner arrives at the location of the
21 owner's vehicle before the tow is completed, and shall release
22 the vehicle to the owner if the owner pays a fee. A person who
23 initiates and then ceases towing a vehicle shall not charge a fee
24 in excess of fifty percent of the amount that would be charged
25 for a consensual tow.

26 3. A person who has towed or impounded a motor vehicle
27 without the owner's consent shall do all of the following:

28 a. Notify the vehicle owner, including a lienholder if
29 applicable, and the local law enforcement agency within
30 twenty-four hours. The notice must include the vehicle's
31 description, the location where the vehicle is stored, contact
32 information for the person who towed the vehicle, and the amount
33 of fees that will be charged.

34 b. Display all towing rates at the person's place of business
35 and on the person's internet site, if applicable.

1 c. Provide an itemized account detailing all fees associated
2 with a tow.

3 d. Allow the owner of the vehicle to recover the vehicle at
4 a reasonable time and during at least a ten-hour period on a day
5 other than a Saturday or Sunday.

6 e. Allow the owner of the vehicle to access personal property
7 from within the vehicle without reclaiming the vehicle.

8 f. Accept payment by credit card, in addition to other forms
9 of payment.

10 g. Reimburse the vehicle owner for any damage to the vehicle
11 caused by the person who towed the vehicle.

12 4. A person shall not tow a motor vehicle unless the person
13 is responding to a request to tow a vehicle.

14 5. A fee charged by a person who towed or impounded a motor
15 vehicle shall not exceed the amount the person charges for a
16 consensual tow or the reasonable storage costs, as applicable.

17 6. A person who tows a motor vehicle shall reimburse the
18 vehicle owner for all costs associated with the tow if the
19 person does not comply with this section. In addition to the
20 reimbursement and any criminal penalty, if applicable, the person
21 shall also pay the vehicle owner an amount not less than four
22 times the sum of the towing and storage fees.

23 7. This section does not apply to abandoned vehicles which
24 may be taken into custody as provided in section 321.89 or
25 disposed of as provided in section 321.90.

26 Sec. 2. Section 321.89, subsection 2, Code 2025, is amended
27 to read as follows:

28 2. *Authority to take possession of abandoned vehicles.* A
29 police authority, upon the authority's own initiative or upon
30 the request of any other authority having the duties of control
31 of highways or traffic, shall take into custody an abandoned
32 vehicle on public property and may take into custody an abandoned
33 vehicle on private property. The police authority may employ
34 its own personnel, equipment, and facilities or hire a private
35 entity, equipment, and facilities for the purpose of removing,

1 preserving, storing, or disposing of abandoned vehicles. A
 2 property owner or other person in control of private property
 3 may employ a private entity who is a garagekeeper, as defined
 4 in section 321.90, to dispose of an abandoned vehicle, and
 5 the private entity may take into custody the abandoned vehicle
 6 without a police authority's initiative. If a police authority
 7 employs a private entity to dispose of abandoned vehicles,
 8 the police authority shall provide the private entity with the
 9 names and addresses of the registered owners, all lienholders
 10 of record, and any other known claimant to the vehicle or the
 11 personal property found in the vehicle. The owners, lienholders,
 12 or other claimants of the abandoned vehicle shall not have
 13 a cause of action against a private entity for action taken
 14 under this section if the private entity provides notice,
 15 allows inspection, and provides information about the vehicle as
 16 required by subsection 3, paragraphs "a" through "f".

17 Sec. 3. Section 321.89, subsection 3, paragraphs a, e, and f,
 18 Code 2025, are amended to read as follows:

19 a. A police authority or private entity that takes into
 20 custody an abandoned vehicle shall send notice by certified mail
 21 that the vehicle has been taken into custody no more than ~~twenty~~
 22 five days after taking custody of the vehicle. Notice shall
 23 be sent to the last known address of record of the last known
 24 registered owner of the vehicle, all lienholders of record, and
 25 any other known claimant to the vehicle.

26 e. If the persons receiving notice do not ask for a hearing
 27 or exercise their right to reclaim the vehicle or personal
 28 property within the ~~ten-day~~ twenty-day reclaiming period, the
 29 owner, lienholders, or claimants shall no longer have any right,
 30 title, claim, or interest in or to the vehicle or the personal
 31 property. If proper notice and an opportunity to inspect the
 32 vehicle is not provided to the owners, lienholders, and known
 33 claimants, there shall be no forfeiture of the person's right,
 34 title, claim, or interest in or to the vehicle and personal
 35 property, as applicable.

1 f. A court in any case in law or equity shall not recognize
2 any right, title, claim, or interest of the owner, lienholders,
3 or claimants after the expiration of the ~~ten-day~~ twenty-day
4 reclaiming period if proper notice is provided to the owners,
5 lienholders, and known claimants as required in this subsection
6 and such persons were provided timely opportunity to inspect the
7 vehicle and retrieve personal property, as applicable.

8 Sec. 4. Section 321.89, subsection 3, paragraph b,
9 subparagraph (3), Code 2025, is amended to read as follows:

10 (3) Information for the persons receiving the notice of their
11 right to inspect and reclaim the vehicle and personal property
12 contained therein within ~~ten~~ twenty days after the effective date
13 of the notice. Persons may ~~reclaim the vehicle or personal~~
14 ~~property~~ upon payment of all reasonable towing, preservation, and
15 storage charges resulting from placing the vehicle in custody
16 and upon payment of the costs of notice required pursuant to
17 this subsection. Persons may reclaim any personal property from
18 a vehicle during the normal business hours of the entity with
19 custody of the vehicle at no cost and without reclaiming the
20 vehicle.

21 Sec. 5. Section 321.89, subsection 3, paragraph b, Code 2025,
22 is amended by adding the following new subparagraph:

23 NEW SUBPARAGRAPH. (6) An itemized account of all fees to be
24 assessed when the vehicle is reclaimed.

25 Sec. 6. Section 321.89, subsection 3, Code 2025, is amended
26 by adding the following new paragraph:

27 NEW PARAGRAPH. 0c. A person who receives notice under this
28 subsection may request to inspect the vehicle or personal
29 property contained therein, or receive specific information as
30 to the condition of the vehicle or personal property, and
31 if requested, the entity with custody of the vehicle shall
32 provide the requested information or an opportunity to inspect
33 the vehicle, as applicable, prior to the expiration of the
34 twenty-day reclamation period. If the entity with custody of
35 the vehicle fails to timely provide the requested information

1 or an opportunity to inspect the vehicle and personal property
2 therein, the entity shall not sell or dispose of the vehicle
3 or personal property until the requested information is provided
4 or the inspection occurs, at which point the period to reclaim
5 the vehicle is extended for five additional days after the
6 information is provided or the inspection takes place.

7 Sec. 7. Section 321.89, subsection 4, Code 2025, is amended
8 to read as follows:

9 4. Reclamation of abandoned vehicles and personal
10 property. An entity with custody of an abandoned vehicle shall
11 provide an itemized account of all fees assessed when the vehicle
12 is reclaimed. Prior to driving an abandoned vehicle away from
13 the premises, a person who received, or who is reclaiming
14 the vehicle on behalf of a person who received, notice under
15 subsection 3 shall present to the police authority or private
16 entity, as applicable, the person's valid driver's license and
17 proof of financial liability coverage as provided in section
18 321.20B. During the normal business hours of the entity with
19 custody of the vehicle, a person may retrieve the person's
20 personal property left in the vehicle at no cost and without
21 reclaiming the vehicle.

22 Sec. 8. Section 321.89, subsection 5, Code 2025, is amended
23 by adding the following new paragraph:

24 NEW PARAGRAPH. *Ob.* If an abandoned vehicle is sold and the
25 entity that took the vehicle into custody failed to provide
26 the required notice and opportunity to inspect and reclaim the
27 vehicle and personal property, as applicable, the entity who sold
28 the vehicle shall pay a lienholder, if applicable, the amount
29 remaining on the vehicle loan.

30 Sec. 9. Section 321.90, subsection 2, paragraph f, Code 2025,
31 is amended to read as follows:

32 *f.* The owner of an abandoned ~~motor~~ vehicle and all
33 lienholders shall no longer have any right, title, claim, or
34 interest in or to the ~~motor~~ vehicle; and no court in any case
35 in law or equity shall recognize any right, title, claim, or

1 interest of any owner or lienholders after the disposal of the
2 ~~motor~~ vehicle to a demolisher, so long as proper notice and
3 an opportunity to inspect the vehicle and personal property in
4 accordance with section 321.89, subsection 3, was provided.

5 EXPLANATION

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

8 This bill regulates towing and impounding motor vehicles.

9 The bill requires a person who tows a vehicle without the
10 owner's consent to post certain signs on private property where
11 the person is authorized to tow vehicles, document the towing
12 with photographs, and maintain records relating to each tow. The
13 bill requires a person to cease an incomplete tow if the vehicle
14 owner arrives, and prohibits a person from charging a fee for
15 more than one-half of the amount that would be charged for a
16 consensual tow. A vehicle owner must pay the fee before the
17 person towing the vehicle is required to release the vehicle to
18 the owner. After towing a vehicle without the owner's consent,
19 the person who towed the vehicle must notify the owner and the
20 local law enforcement agency, display towing and impound rates,
21 provide an itemized account with fees not exceeding the amount
22 the person charges for a consensual tow or the reasonable storage
23 costs, allow the owner to recover personal property from within
24 the vehicle, accept payment by credit card, and reimburse the
25 vehicle owner for any damage to the vehicle caused during the
26 tow.

27 The bill prohibits a person from towing a vehicle without the
28 owner's consent unless the person is responding to a request for
29 a tow. A person who tows a vehicle must reimburse the vehicle
30 owner for all costs associated with the tow if the person does
31 not comply with the bill. In addition to the reimbursement and
32 any criminal penalty, the person must also pay the vehicle owner
33 an amount not less than four times the sum of the towing and
34 storage fees. The bill's provisions relating to the towing of
35 a vehicle without the owner's consent do not apply to abandoned

1 vehicles.

2 Code sections 321.89 and 321.90 regulate the taking into
3 custody and the disposal of abandoned vehicles, as defined
4 in Code section 321.89. The bill amends certain provisions
5 regarding required notices and information relating to an
6 abandoned vehicle, the timeline to inspect or reclaim a vehicle,
7 the reclamation of personal property from within an abandoned
8 vehicle, and the disposal of an abandoned vehicle, and requires
9 an opportunity for a person to inspect an abandoned vehicle.

10 The bill reduces the period of time within which an entity
11 that takes custody of an abandoned vehicle is required to send
12 notice that the vehicle has been taken into custody from no more
13 than 20 days to no more than 5 days after taking custody of
14 the vehicle. The bill increases the reclaiming period for a
15 person who receives notice from 10 days to 20 days after notice
16 is received. The bill requires an entity with control of an
17 abandoned vehicle to provide an itemized account of all fees
18 assessed when a vehicle is reclaimed, to allow access for persons
19 to inspect the vehicle and share information about the vehicle,
20 if requested, and to provide notice of such. The reclaiming
21 period is extended by 5 days if an entity fails to provide
22 requested information or allow an inspection of the vehicle.

23 Under current law, persons who receive notice regarding
24 an abandoned vehicle lose their right to the vehicle and
25 personal property within the vehicle after the expiration of the
26 reclaiming period. The bill provides that if proper, timely
27 notice is not provided, any known claimant does not forfeit the
28 right to reclaim the vehicle or personal property.

29 Current law requires a person to pay all towing preservation
30 and storage charges resulting from placing an abandoned vehicle
31 in custody prior to reclaiming the vehicle or personal property.
32 The bill requires all such charges to be reasonable, and
33 authorizes a person to reclaim personal property from a vehicle
34 during the normal business hours of the entity with custody of
35 the vehicle at no cost and without reclaiming the vehicle.

1 The bill requires an entity that sells an abandoned vehicle
2 to pay a lienholder, if applicable, the amount remaining on
3 the vehicle loan if the vehicle is sold and the entity that
4 took it into custody failed to provide required notices and
5 an opportunity to inspect and reclaim the vehicle and personal
6 property, as applicable.

7 By operation of law, it is a simple misdemeanor for a person
8 to do an act forbidden or to fail to perform an act required by
9 Code chapter 321, including the provisions of the bill. A simple
10 misdemeanor is punishable by confinement for no more than 30 days
11 and a fine of at least \$105 but not more than \$855.

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