

Senate Study Bill 1038 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY CHAIRPERSON
BOUSSELOT)

A BILL FOR

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

unofficial

1 Section 1. Section 321.89, subsection 2, Code 2025, is
2 amended to read as follows:

3 2. *Authority to take possession of abandoned vehicles.* A
4 police authority, upon the authority's own initiative or upon
5 the request of any other authority having the duties of control
6 of highways or traffic, shall take into custody an abandoned
7 vehicle on public property and may take into custody an abandoned
8 vehicle on private property. The police authority may employ
9 its own personnel, equipment, and facilities or hire a private
10 entity, equipment, and facilities for the purpose of removing,
11 preserving, storing, or disposing of abandoned vehicles. A
12 property owner or other person in control of private property
13 may employ a private entity who is a garagekeeper, as defined
14 in section 321.90, to dispose of an abandoned vehicle, and
15 the private entity may take into custody the abandoned vehicle
16 without a police authority's initiative. If a police authority
17 employs a private entity to dispose of abandoned vehicles,
18 the police authority shall provide the private entity with the
19 names and addresses of the registered owners, all lienholders
20 of record, and any other known claimant to the vehicle or the
21 personal property found in the vehicle. The owners, lienholders,
22 or other claimants of the abandoned vehicle shall not have
23 a cause of action against a private entity for action taken
24 under this section if the private entity provides notice,
25 allows inspection, and provides information about the vehicle as
26 required by subsection 3, paragraphs "a" through "f".

27 Sec. 2. Section 321.89, subsection 3, paragraphs a, e, and f,
28 Code 2025, are amended to read as follows:

29 a. A police authority or private entity that takes into
30 custody an abandoned vehicle shall send notice by certified mail
31 that the vehicle has been taken into custody no more than ~~twenty~~
32 five days after taking custody of the vehicle. Notice shall
33 be sent to the last known address of record of the last known
34 registered owner of the vehicle, all lienholders of record, and
35 any other known claimant to the vehicle.

1 e. If the persons receiving notice do not ask for a hearing
2 or exercise their right to reclaim the vehicle or personal
3 property within the ~~ten-day~~ twenty-day reclaiming period, the
4 owner, lienholders, or claimants shall no longer have any right,
5 title, claim, or interest in or to the vehicle or the personal
6 property. If proper notice and an opportunity to inspect the
7 vehicle is not provided to the owners, lienholders, and known
8 claimants, there shall be no forfeiture of the person's right,
9 title, claim, or interest in or to the vehicle and personal
10 property, as applicable.

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

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

20 (3) Information for the persons receiving the notice of their
21 right to inspect and reclaim the vehicle and personal property
22 contained therein ~~within ten~~ twenty days after the effective date
23 of the notice. ~~Persons may reclaim the vehicle or personal~~
24 ~~property~~ upon payment of all reasonable towing, preservation, and
25 storage charges resulting from placing the vehicle in custody
26 and upon payment of the costs of notice required pursuant to
27 this subsection. Persons may reclaim any personal property from
28 a vehicle during the normal business hours of the entity with
29 custody of the vehicle at no cost and without reclaiming the
30 vehicle.

31 Sec. 4. Section 321.89, subsection 3, paragraph b, Code 2025,
32 is amended by adding the following new subparagraph:

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

35 Sec. 5. Section 321.89, subsection 3, Code 2025, is amended

1 by adding the following new paragraph:

2 NEW PARAGRAPH. 0c. A person who receives notice under this
3 subsection may request to inspect the vehicle or personal
4 property contained therein, or receive specific information as
5 to the condition of the vehicle or personal property, and
6 if requested, the entity with custody of the vehicle shall
7 provide the requested information or an opportunity to inspect
8 the vehicle, as applicable, prior to the expiration of the
9 twenty-day reclamation period. If the entity with custody of
10 the vehicle fails to timely provide the requested information
11 or an opportunity to inspect the vehicle and personal property
12 therein, the entity shall not sell or dispose of the vehicle
13 or personal property until the requested information is provided
14 or the inspection occurs, at which point the period to reclaim
15 the vehicle is extended for five additional days after the
16 information is provided or the inspection takes place.

17 Sec. 6. Section 321.89, subsection 4, Code 2025, is amended
18 to read as follows:

19 4. Reclamation of abandoned vehicles and personal
20 property. An entity with custody of an abandoned vehicle shall
21 provide an itemized account of all fees assessed when the vehicle
22 is reclaimed. Prior to driving an abandoned vehicle away from
23 the premises, a person who received, or who is reclaiming
24 the vehicle on behalf of a person who received, notice under
25 subsection 3 shall present to the police authority or private
26 entity, as applicable, the person's valid driver's license and
27 proof of financial liability coverage as provided in section
28 321.20B. During the normal business hours of the entity with
29 custody of the vehicle, a person may retrieve the person's
30 personal property left in the vehicle at no cost and without
31 reclaiming the vehicle.

32 Sec. 7. Section 321.89, subsection 5, Code 2025, is amended
33 by adding the following new paragraph:

34 NEW PARAGRAPH. 0b. If an abandoned vehicle is sold and the
35 entity that took the vehicle into custody failed to provide

1 the required notice and opportunity to inspect and reclaim the
2 vehicle and personal property, as applicable, the entity who sold
3 the vehicle shall pay a lienholder, if applicable, the amount
4 remaining on the vehicle loan.

5 Sec. 8. Section 321.90, subsection 2, paragraph f, Code 2025,
6 is amended to read as follows:

7 f. The owner of an abandoned ~~motor~~ vehicle and all
8 lienholders shall no longer have any right, title, claim, or
9 interest in or to the ~~motor~~ vehicle; and no court in any case
10 in law or equity shall recognize any right, title, claim, or
11 interest of any owner or lienholders after the disposal of the
12 ~~motor~~ vehicle to a demolisher, so long as proper notice and
13 an opportunity to inspect the vehicle and personal property in
14 accordance with section 321.89, subsection 3, was provided.

15 EXPLANATION

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

18 Code sections 321.89 and 321.90 regulate the taking into
19 custody and the disposal of abandoned vehicles, as defined
20 in Code section 321.89. This bill amends certain provisions
21 regarding required notices and information relating to an
22 abandoned vehicle, the timeline to inspect or reclaim a vehicle,
23 the reclamation of personal property from within an abandoned
24 vehicle, and the disposal of an abandoned vehicle, and requires
25 an opportunity for a person to inspect an abandoned vehicle.

26 The bill reduces the period of time within which an entity
27 that takes custody of an abandoned vehicle is required to send
28 notice that the vehicle has been taken into custody from no more
29 than 20 days to no more than 5 days after taking custody of
30 the vehicle. The bill increases the reclaiming period for a
31 person who receives notice from 10 days to 20 days after notice
32 is received. The bill requires an entity with control of an
33 abandoned vehicle to provide an itemized account of all fees
34 assessed when a vehicle is reclaimed, to allow access for persons
35 to inspect the vehicle and share information about the vehicle,

1 if requested, and to provide notice of such. The reclaiming
2 period is extended by 5 days if an entity fails to provide
3 requested information or allow an inspection of the vehicle.

4 Under current law, persons who receive notice regarding
5 an abandoned vehicle lose their right to the vehicle and
6 personal property within the vehicle after the expiration of the
7 reclaiming period. The bill provides that if proper, timely
8 notice is not provided, any known claimant does not forfeit the
9 right to reclaim the vehicle or personal property.

10 Current law requires a person to pay all towing preservation
11 and storage charges resulting from placing an abandoned vehicle
12 in custody prior to reclaiming the vehicle or personal property.
13 The bill requires all such charges to be reasonable, and
14 authorizes a person to reclaim personal property from a vehicle
15 during the normal business hours of the entity with custody of
16 the vehicle at no cost and without reclaiming the vehicle.

17 The bill requires an entity that sells an abandoned vehicle
18 to pay a lienholder, if applicable, the amount remaining on
19 the vehicle loan if the vehicle is sold and the entity that
20 took it into custody failed to provide required notices and
21 an opportunity to inspect and reclaim the vehicle and personal
22 property, as applicable.

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