

Senate File 2475 - Introduced

SENATE FILE 2475
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 2457)
(SUCCESSOR TO SSB 3061)

(COMPANION TO HF 2617 BY
COMMITTEE ON TRANSPORTATION)

A BILL FOR

1 An Act relating to abandoned vehicles.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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
9 the section and inserting in lieu thereof the following:

10 **321.89 Abandoned vehicles.**

11 1. *Authority to tow and impound.* An abandoned vehicle may
12 be 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
17 garagekeeper to tow and impound the vehicle, and the police
18 authority shall provide the garagekeeper with the name and
19 address of the registered owner and, if applicable, any
20 lienholder and known claimants of 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
24 in control of the private property may hire a garagekeeper
25 to tow and impound the abandoned vehicle without a police
26 authority's initiative. In addition to the required notices
27 under subsection 2, a garagekeeper that tows an abandoned
28 vehicle pursuant to this subparagraph shall notify the police
29 authority with jurisdiction over the location where the
30 vehicle was towed within two hours after towing the vehicle.
31 The garagekeeper shall describe the vehicle and provide the
32 location where the tow occurred and where the vehicle can be
33 reclaimed.

34 2. *Required notice.*

35 a. Within ten days after towing an abandoned vehicle,

1 the person who impounded the vehicle shall give notice to
2 the registered owner of the vehicle and, if applicable, any
3 lienholder and known claimants of the vehicle.

4 *b.* Notice must include all of the following:

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

7 (2) The location of the vehicle.

8 (3) A statement that the person has twenty days to reclaim
9 the vehicle or personal property from inside the vehicle, and
10 that the twenty-day reclamation period began on the date the
11 notice was given.

12 (4) A statement that the vehicle cannot be reclaimed until
13 the person pays all towing and impound fees and the costs of
14 giving notice.

15 (5) A statement that the registered owner may retrieve
16 personal property from inside the vehicle without reclaiming
17 the vehicle or paying a fee, and that the registered owner will
18 have only one opportunity to retrieve the personal property.

19 (6) A statement that failure to reclaim the vehicle or
20 personal property within twenty days after notice was given
21 constitutes a waiver of any interest in the vehicle or personal
22 property.

23 (7) A statement that failure to reclaim the vehicle
24 or personal property is deemed consent for the person who
25 impounded the vehicle to sell or dispose of the vehicle and
26 personal property inside the vehicle, as applicable.

27 (8) If the abandoned vehicle was taken into custody by
28 a garagekeeper without a police authority's initiative, a
29 statement that the garagekeeper may claim a lien as described
30 in section 321.90, subsection 1.

31 (9) If the abandoned vehicle was taken into custody by
32 a police authority or by a garagekeeper hired by a police
33 authority, a statement that a person who disputes the
34 assessment of fees or the planned disposition of the vehicle or
35 personal property may request an evidentiary hearing before the

1 police authority to contest those matters.

2 *c.* Notice shall be given in at least two ways, including by
3 sending notice by regular mail and by giving notice in any of
4 the following ways:

5 (1) By sending via certified mail or parcel delivery service
6 with a tracking number. Notice under this subparagraph shall
7 be deemed given when mailed.

8 (2) By personal delivery by a peace officer to the proper
9 person who must sign an affidavit of service. Notice under
10 this subparagraph shall be deemed given when delivered.

11 *d.* Notwithstanding paragraph "*a*", if it is impossible to
12 determine with reasonable certainty the identity and address
13 of the last registered owner or any lienholder, notice by one
14 publication in one newspaper of general circulation in the area
15 where the vehicle was abandoned is sufficient. The published
16 notice shall be published within the same time requirements
17 and provide the same information required under paragraph "*b*".
18 Notice published in a newspaper may contain multiple listings
19 of abandoned vehicles.

20 *e.* A garagekeeper that impounds an abandoned vehicle shall
21 display at the garagekeeper's place of business in a manner
22 that is readily visible to visitors and on the garagekeeper's
23 internet site, if applicable, the garagekeeper's hours of
24 operation, telephone number, and corporate or business name,
25 if applicable.

26 *f.* A garagekeeper that tows an abandoned vehicle shall
27 display on both sides of the towing vehicle, in a manner that
28 is readily visible, the garagekeeper's corporate or business
29 name, if applicable, address, and telephone number.

30 3. *Reclamation.*

31 *a.* The registered owner of an abandoned vehicle may reclaim
32 the vehicle upon payment of all towing, notice, and impoundment
33 fees. For purposes of calculating impoundment fees, a
34 garagekeeper shall not charge a fee based on calendar days.

35 *b.* A garagekeeper shall provide an itemized invoice that

1 includes the vehicle identification number and describes all
2 fees assessed when a vehicle is reclaimed. A garagekeeper
3 shall accept payment by credit card, subject to a card-use
4 surcharge, if applicable, in addition to other forms of
5 payment. A garagekeeper that has custody of an abandoned
6 vehicle shall not charge a storage fee for a day that the
7 garagekeeper is not open.

8 4. *Personal property retrieval.* The registered owner of
9 an abandoned vehicle may retrieve personal property only once
10 while a garagekeeper has custody of the owner's vehicle and
11 only during the normal business hours of the garagekeeper.
12 The registered owner must provide the garagekeeper a written
13 list of the personal property that is inside the vehicle and
14 the garagekeeper shall gather the listed personal property
15 from inside the vehicle and hand the personal property to the
16 registered owner. Alternatively, a garagekeeper may, at its
17 discretion, allow the registered owner to directly retrieve
18 personal property from the vehicle. Retrieving personal
19 property does not constitute reclaiming the vehicle.

20 5. *Inspection.* A lienholder who receives notice under
21 subsection 2 may inspect the condition of an impounded vehicle.
22 A garagekeeper may charge a lienholder a fee not to exceed one
23 hundred dollars to inspect the vehicle. If such a request is
24 made and when the fee is paid, the garagekeeper shall allow
25 a representative of the lienholder onto the garagekeeper's
26 premises to inspect the vehicle, subject to safety and security
27 procedures established by the garagekeeper for the area where
28 vehicles are stored.

29 6. *Recordkeeping.* A garagekeeper shall keep a record of
30 the relevant details of each abandoned vehicle the garagekeeper
31 towed or impounded for at least three years after the vehicle
32 was reclaimed or sold.

33 7. *Limited liability.* An owner, lienholder, or other
34 claimant of an abandoned vehicle shall not have a cause of
35 action against a garagekeeper for action taken pursuant to this

1 section if the garagekeeper provided notice in accordance with
2 subsection 2, paragraphs "a" through "c".

3 8. *Failure to act.* If a person who received notice did not
4 ask for a hearing, reclaim an abandoned vehicle, or retrieve
5 personal property within the twenty-day reclaiming period, the
6 person forfeits ownership of the vehicle and a court shall not
7 recognize the person's title, right, claim, or interest in the
8 abandoned vehicle, or personal property inside the vehicle.

9 9. *Vehicles sold for highway use.*

10 *a.* If an abandoned vehicle has not been reclaimed, the
11 person who impounded the vehicle shall make a determination as
12 to whether the vehicle will be sold for use upon the highways.
13 If the vehicle is sold for use upon the highways, the vehicle
14 shall be sold at a public auction.

15 *b.* The purchaser of an abandoned vehicle sold at a public
16 auction takes title free and clear of all liens and claims of
17 ownership and is entitled to register the vehicle and receive
18 a certificate of title. The person who impounded the vehicle
19 shall provide a sales receipt to the purchaser.

20 10. *Vehicles sold for junk or scrap.*

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

24 *b.* The purchaser of an abandoned vehicle sold for junk or
25 scrap takes title free and clear of all liens and claims of
26 ownership. The person who impounded the vehicle shall provide
27 a sales receipt to the purchaser.

28 *c.* If the vehicle is sold to a demolisher for junk, the
29 demolisher shall make application for a junking certificate
30 to the county treasurer within thirty days of purchase and
31 shall surrender the sales receipt in lieu of the certificate of
32 title.

33 11. *Sale proceeds.*

34 *a.* If a police authority did not hire a garagekeeper, the
35 police authority shall reimburse itself from the proceeds

1 of the sale of an abandoned vehicle. Except for costs of
2 bookkeeping and other administrative costs, the police
3 authority may retain proceeds from the sale for expenses
4 incurred, including but not limited to expenses for any of the
5 following:

- 6 (1) The public auction.
 - 7 (2) Towing the vehicle.
 - 8 (3) Impounding the vehicle.
 - 9 (4) Giving notice pursuant to subsection 2.
 - 10 (5) Inspecting the vehicle.
- 11 *b.* Any remainder from the proceeds of a sale shall be
12 deposited in the road use tax fund.
- 13 *c.* If the proceeds from a sale of an abandoned vehicle
14 are insufficient to cover the incurred expenses, the police
15 authority shall be paid from the road use tax fund. The last
16 owner of the vehicle is liable for reimbursing the road use tax
17 fund, including jointly and severally if there was more than
18 one owner.
- 19 *d.* If a garagekeeper sells an abandoned vehicle at a public
20 auction, the garagekeeper may retain all proceeds from the
21 sale.
- 22 *e.* The department shall adopt rules pursuant to chapter
23 17A providing a claims process for a police authority to
24 obtain moneys from the road use tax fund to cover expenses
25 incurred, including expenses owed to a garagekeeper hired by
26 a police authority to tow and impound an abandoned vehicle.
27 If a garagekeeper was hired by a police authority, the
28 police authority shall file a claim with the department for
29 reimbursement of towing fees which shall be paid from the road
30 use tax fund.

31 12. *Definitions.* As used in this section, and sections
32 321.90 and 321.91:

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

- 34 (1) A vehicle that has been left unattended on public
35 property for more than twenty-four hours and lacks current

1 registration plates or two or more wheels or other parts which
2 render the vehicle totally inoperable.

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

5 (3) A vehicle that has been illegally parked on private
6 property or has been placed on private property without the
7 consent of the owner or person in control of the property for
8 more than twenty-four hours.

9 (4) A vehicle that has been legally impounded by order of
10 a police authority and has not been reclaimed for a period
11 of ten days. However, a police authority may declare the
12 vehicle abandoned within the ten-day period by commencing the
13 notification process in subsection 2.

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

16 (6) A vehicle that has been impounded pursuant to section
17 321J.4B by order of a court and the vehicle owner has not paid
18 the impoundment fees after notification by the person or agency
19 responsible for impounding the vehicle.

20 *b. "Demolisher"* means a person licensed under chapter 321H
21 whose business it is to convert a vehicle to junk, processed
22 scrap, or scrap metal, or otherwise to wreck or dismantle
23 vehicles.

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

27 *d. "Personal property"* means property that is located inside
28 an abandoned vehicle and not attached to the vehicle.

29 *e. "Police authority"* means the state patrol, any law
30 enforcement agency of a county or city, or any special security
31 officer employed by the state board of regents under section
32 262.13.

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

35 1. *Garagekeepers and abandoned motor vehicles.* Any motor

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

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

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

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

24 e. Notwithstanding any other provisions of [this section](#) and
25 sections 321.89 and [321.91](#), any person, firm, corporation, or
26 unit of government upon whose property or in whose possession
27 is found any abandoned motor vehicle, or any person being
28 the owner of a motor vehicle whose title certificate is
29 faulty, lost, or destroyed, may dispose of such motor vehicle
30 to a demolisher for junk without a title and without the
31 notification procedures of section 321.89, ~~subsection 3~~, if the
32 motor vehicle lacks an engine or two or more wheels or other
33 structural part which renders the vehicle totally inoperable.
34 The police authority shall give the applicant a certificate
35 of authority. The owner shall apply to the county treasurer

1 for a junking certificate within thirty days of receipt of the
2 certificate of authority and shall surrender the certificate of
3 authority in lieu of the certificate of title.

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

14 EXPLANATION

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

17 Under current law, Code section 321.89 regulates the towing,
18 impounding, reclaiming, and selling of abandoned vehicles and
19 providing required notice. This bill rewrites, reorganizes,
20 and amends Code section 321.89.

21 The bill decreases the time by which a person who impounds
22 an abandoned vehicle is required to provide notice from 20
23 days to 10 days and increases the time a person may reclaim an
24 abandoned vehicle from 10 days to 20 days. The bill requires
25 notice of a tow and impoundment to be given twice; once by
26 regular mail and once by certified mail, parcel delivery
27 with tracking, or personal delivery by a peace officer.
28 Additionally, the bill requires a garagekeeper to provide
29 notice to the police authority with jurisdiction over the
30 location where the vehicle was towed within two hours after the
31 tow. The bill defines "garagekeeper" in Code section 321.89
32 using the definition in current Code section 321.90 and strikes
33 the definition from Code section 321.90.

34 The bill requires a garagekeeper to display information
35 about the garagekeeper on vehicles the garagekeeper uses to

1 tow an abandoned vehicle and at the garagekeeper's place of
2 business.

3 Under current law, a person is required to pay all fees prior
4 to reclaiming a vehicle. The bill prohibits a garagekeeper
5 from calculating fees on a calendar-day basis and from charging
6 a storage fee on a day that the garagekeeper is not open to
7 the public. A garagekeeper must provide an itemized invoice
8 that includes the vehicle's vehicle identification number. In
9 addition, the bill requires a garagekeeper to accept payment
10 by credit card, in addition to other forms of payment. The
11 bill strikes the requirement under current law that a person
12 must present a valid driver's license and proof of financial
13 liability coverage prior to driving a vehicle away from the
14 premises where it was impounded.

15 The bill authorizes the registered owner of a vehicle that is
16 impounded by a garagekeeper to retrieve personal property, as
17 defined in the bill, from the vehicle one time, and retrieving
18 personal property does not constitute reclaiming the vehicle.
19 A person that impounds an abandoned vehicle must give notice of
20 the opportunity to retrieve personal property.

21 The bill requires a garagekeeper to allow a lienholder to
22 inspect an impounded vehicle so long as the lienholder pays a
23 \$100 fee. In addition, a garagekeeper must keep records of the
24 relevant details of each abandoned vehicle the garagekeeper
25 towed or impounded for at least three years.

26 Under current law, proceeds from the sale of an abandoned
27 vehicle that are not retained by a police authority to cover
28 incurred nonadministrative expenses associated with the vehicle
29 must be held for 90 days for the vehicle owner or lienholder.
30 Unclaimed proceeds from the sale are deposited in the road use
31 tax fund after 90 days. The bill strikes the 90-day holding
32 requirement.

33 The bill amends Code sections 321.88 and 321.90 to update
34 references to Code section 321.89 by striking subsection
35 references that are amended by the bill.