

Senate File 448 - Reprinted

SENATE FILE 448
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 1178)

(As Amended and Passed by the Senate March 21, 2017)

A BILL FOR

1 An Act relating to insurers in possession of salvage motor
2 vehicles.

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

1 Section 1. Section 321.45, subsection 2, paragraph a, Code
2 2017, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (6) An insurer obtains a salvage
4 certificate of title for a vehicle pursuant to section 321.52,
5 subsection 4, paragraph "0a".

6 Sec. 2. Section 321.52, subsection 4, Code 2017, is amended
7 by adding the following new paragraph:

8 NEW PARAGRAPH. 0a. Notwithstanding any other provision of
9 law to the contrary, an insurer may apply for and be issued
10 a salvage certificate of title for a motor vehicle without
11 surrendering the certificate of title or manufacturer's or
12 importer's statement of origin properly assigned if ownership
13 of the vehicle was transferred, or will transfer, to the
14 insurer pursuant to a settlement with the previous owner of
15 the vehicle arising from circumstances involving damage to
16 the vehicle, and at least thirty days have expired since
17 the effective date of such settlement. To obtain a salvage
18 certificate of title pursuant to this paragraph "0a", the
19 insurer shall submit an application for a salvage certificate
20 of title to the county treasurer of the county in which
21 the vehicle is stored by or on behalf of the insurer. The
22 application shall be accompanied by an affidavit from the
23 insurer in which the insurer certifies it has made at least
24 two written attempts to obtain a properly assigned certificate
25 of title or manufacturer's or importer's statement of origin
26 for the vehicle by contacting the previous owner of the vehicle
27 and all lienholders of record by certified mail or a similar
28 service that provides proof of service using a return receipt,
29 and has been unable to obtain the title or statement of origin.
30 The failure of a previous owner or lienholder to provide a
31 properly assigned certificate of title or manufacturer's or
32 importer's statement of origin shall be deemed to be a waiver
33 by the previous owner or lienholder of all rights, title,
34 claim, and interest in the vehicle. The application shall also
35 be accompanied by the application fee required under paragraph

1 "a", and proof of payment of the total amount of the settlement
2 by the insurer to the previous owner of the vehicle. Upon
3 receiving an application that complies with this paragraph "0a",
4 the county treasurer shall issue a salvage certificate of title
5 to the insurer which shall be free and clear of all liens and
6 claims of ownership and shall bear the word "SALVAGE" stamped
7 or printed on the face of the title in a manner prescribed by
8 the department.

9 Sec. 3. Section 321.67, Code 2017, is amended to read as
10 follows:

11 **321.67 Certificate of title must be executed.**

12 1. No person, except as provided in [sections 321.23](#) and
13 [321.45](#), and [section 321.52, subsection 2](#), paragraph "b", and
14 [section 321.52, subsection 4, paragraph "0a"](#), shall sell
15 or otherwise dispose of a registered vehicle or a vehicle
16 subject to registration without delivering to the purchaser or
17 transferee thereof a certificate of title with such assignment
18 thereon as may be necessary to show title in the purchaser.

19 2. No person shall purchase or otherwise acquire or bring
20 into this state a registered vehicle or a vehicle subject to
21 registration without obtaining a certificate of title thereto
22 except for temporary use or as provided in [sections 321.23](#) and
23 [321.45](#), and [section 321.52, subsection 2](#), paragraph "b", and
24 [section 321.52, subsection 4, paragraph "0a"](#).

25 Sec. 4. Section 321.104, subsection 4, Code 2017, is amended
26 to read as follows:

27 4. To sell, offer for sale, or transfer a motor vehicle,
28 trailer, or semitrailer, except as provided in [section 321.47](#)
29 or [321.48](#), or [section 321.52, subsection 2](#), paragraph "b",
30 or [section 321.52, subsection 4, paragraph "0a"](#), without
31 obtaining a certificate of title in the name of the seller or
32 transferor or without delivering to the purchaser or transferee
33 a certificate of title or a manufacturer's or importer's
34 certificate duly assigned to the purchaser or transferee as
35 provided in [this chapter](#).