

**House File 2485 - Reprinted**

HOUSE FILE 2485  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 656)

(As Amended and Passed by the House March 5, 2026)

**A BILL FOR**

1 An Act relating to motor vehicle dealers, including rights to  
2 certain vehicles, records storage requirements, and remote  
3 sales of motor vehicles.

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

unofficial

1 Section 1. Section 321.45, subsection 2, Code 2026, is  
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. c. For purposes of this subsection, a motor  
4 vehicle dealer licensed under chapter 322 shall be deemed to have  
5 acquired and to possess the right, title, claim, and interest  
6 in a vehicle if the vehicle's certificate of title is issued or  
7 properly assigned to an entity with direct ownership or control  
8 over the dealer.

9 Sec. 2. Section 321.63, Code 2026, is amended by adding the  
10 following new subsection:

11 NEW SUBSECTION. 3. A dealer shall do all of the following:

12 a. Store all records at a place of business of the dealer or  
13 at a place of business within the United States of an entity that  
14 has direct ownership or control over the dealer.

15 b. Provide electronic records to the department within  
16 twenty-four hours after receiving a request.

17 c. Provide physical records to the department within a  
18 reasonable time considering postal delivery.

19 Sec. 3. Section 322.3, subsection 12, paragraphs a and c,  
20 Code 2026, are amended to read as follows:

21 a. The dealer or an entity with direct ownership or control  
22 over the dealer shall possess, at the time of the sale, the  
23 certificate of title to any motor vehicle offered for remote sale  
24 by the dealer. The certificate of title may be in an electronic  
25 format that is created, stored, or transferred only through a  
26 secure electronic system approved by the department and shall not  
27 be in a portable document format, a scanned copy, evidenced by  
28 an electronic mail message, or in another format created by the  
29 dealer.

30 ~~c. The dealer shall not sign a proposed purchase agreement~~  
31 ~~until the dealer receives an executed purchase agreement from~~  
32 ~~the buyer. A signed purchase agreement must be delivered to the~~  
33 ~~dealer's place of business, as listed on the dealer's license.~~

34 Sec. 4. Section 322.3, subsection 12, Code 2026, is amended  
35 by adding the following new paragraphs:

1 NEW PARAGRAPH. *f.* The dealer shall disclose to a buyer all  
2 of the following regarding the vehicle offered for sale:

3 (1) That the vehicle is not located in this state, if  
4 applicable.

5 (2) That the certificate of title is in an electronic format,  
6 if applicable.

7 (3) The estimated delivery date of the vehicle.

8 NEW PARAGRAPH. *g.* If requested, the dealer shall produce  
9 proof, including in an electronic format, to the department  
10 that the dealer has the certificate of title for a vehicle  
11 offered for sale. The dealer shall also retain records showing  
12 where a vehicle is stored, the status of the vehicle's title,  
13 and documents relating to the remote sale of a vehicle. The  
14 dealer shall store and provide records in accordance with section  
15 321.63, subsection 3.

16 NEW PARAGRAPH. *h.* Pursuant to section 554D.108 and  
17 consistent with 49 C.F.R. pt. 580 and the federal Electronic  
18 Signatures in Global and National Commerce Act, 15 U.S.C. §7001  
19 et seq., an electronic signature captured and applied to an image  
20 of a physical certificate of title that was originally printed  
21 by a secure printing process as defined in 49 C.F.R. §580.3,  
22 which complies with all applicable requirements under 49  
23 C.F.R. pt. 580, shall be accepted for purposes of odometer  
24 disclosure. A dealer using an electronic signature on a digital  
25 image of a physical title shall mark the original title as "void"  
26 or "surrendered" and submit an application for certificate of  
27 title and registration electronically via an authorized service  
28 provider pursuant to section 321.20, subsection 2.

29 NEW PARAGRAPH. *i.* A remote sale of a motor vehicle is not  
30 a door-to-door sale as defined in section 555A.1, and is not  
31 subject to chapter 555A.