

House File 918 - Reprinted

HOUSE FILE 918
BY COMMITTEE ON PUBLIC SAFETY

(SUCCESSOR TO HSB 172)

(As Amended and Passed by the House March 25, 2025)

A BILL FOR

1 An Act relating to motor vehicle financial liability coverage,
2 providing penalties, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.20, subsection 1, Code 2025, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. g. If the vehicle is a motor vehicle, the
4 owner shall certify on the application that financial liability
5 coverage is in effect for the motor vehicle pursuant to section
6 321.20B and provide a copy of the proof of financial liability
7 coverage card issued for the motor vehicle, a description of the
8 financial liability coverage as noted on the proof of financial
9 liability coverage card, or other documentation acceptable to the
10 department. This paragraph does not apply to a motor vehicle
11 excluded from the requirements of section 321.20B.

12 Sec. 2. Section 321.20B, subsection 4, paragraph c, Code
13 2025, is amended by striking the paragraph.

14 Sec. 3. Section 321.20B, subsection 5, paragraph b, Code
15 2025, is amended by striking the paragraph and inserting in lieu
16 thereof the following:

17 b. Issue a citation to the driver.

18 Sec. 4. Section 321.20B, Code 2025, is amended by adding the
19 following new subsections:

20 NEW SUBSECTION. 5A. An owner or driver cited for or charged
21 with a violation of subsection 1 who produces to the clerk of
22 court prior to the date of the person's court appearance proof
23 that financial liability coverage was in effect for the motor
24 vehicle at the time the person was stopped, or if the driver
25 is not the owner of the motor vehicle, proof that financial
26 liability coverage was in effect for the driver with respect
27 to the motor vehicle being driven at the time the driver was
28 stopped in the same manner as if the motor vehicle were owned
29 by the driver, shall be given a receipt indicating that proof was
30 provided, and the citation or charge shall be dismissed by the
31 court. Upon dismissal, the court or clerk of court shall assess
32 the costs of the action against the defendant.

33 NEW SUBSECTION. 5B. A person convicted of a violation of
34 subsection 1 is guilty of a simple misdemeanor punishable as
35 a scheduled violation under section 805.8A, subsection 14,

1 paragraph "f".

2 Sec. 5. Section 321.30, Code 2025, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 4. The department or the county treasurer
5 shall refuse registration of a motor vehicle if the owner
6 does not provide satisfactory proof that financial liability
7 coverage is in effect for the motor vehicle pursuant to section
8 321.20B. This subsection does not apply to a motor vehicle
9 excluded from the requirements of section 321.20B.

10 Sec. 6. Section 321.40, Code 2025, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 11. A form for certification of financial
13 liability coverage pursuant to section 321.20B shall accompany
14 each renewal statement sent to the owner of a motor vehicle under
15 this section. The county treasurer shall refuse to renew the
16 registration of a motor vehicle if the applicant does not submit
17 satisfactory proof of financial liability coverage in effect for
18 the motor vehicle pursuant to section 321.20B. This subsection
19 does not apply to a motor vehicle excluded from the requirements
20 of section 321.20B.

21 Sec. 7. Section 805.8A, subsection 14, paragraph f, Code
22 2025, is amended to read as follows:

23 *f. Proof of financial responsibility. ~~If, in connection with~~*
24 *~~a motor vehicle accident, a person is charged and found guilty of~~*
25 *~~a violation of section 321.20B, subsection 1, the scheduled fine~~*
26 *~~is six hundred forty-five dollars; otherwise, the scheduled fine~~*
27 *~~for a violation of section 321.20B, subsection 1, is three~~*
28 *~~hundred twenty-five dollars.~~*

29 (1) The scheduled fine for a violation of section 321.20B,
30 subsection 1, is as follows:

31 (a) If the violation occurred in connection
32 with a motor vehicle accident\$645.

33 (b) If the violation did not occur in connection
34 with a motor vehicle accident\$325.

35 (c) For a second violation within five years, the scheduled

1 fine under subparagraph division (a) or (b), as applicable, shall
2 be doubled.

3 (d) For a third or subsequent violation within five years,
4 the scheduled fine under subparagraph division (a) or (b), as
5 applicable, shall be tripled.

6 (2) Notwithstanding section 805.12, fines collected pursuant
7 to this paragraph shall be submitted to the state court
8 administrator and distributed fifty percent to the victim
9 compensation fund established in section 915.94, twenty-five
10 percent to the county in which such fine is imposed, and
11 twenty-five percent to the general fund of the state.

12 Sec. 8. EFFECTIVE DATE. The following take effect December
13 1, 2028:

14 1. The section of this Act enacting section 321.20,
15 subsection 1, paragraph "g".

16 2. The section of this Act enacting section 321.30,
17 subsection 4.

18 3. The section of this Act enacting section 321.40,
19 subsection 11.