

materials shall be preserved until final determination of the contest. Before destroying the election registers and declarations of eligibility, the commissioner shall prepare records as necessary to permit compliance with chapter 48A, subchapter V. Nomination papers for primary election candidates for state and county offices shall be destroyed ten days before the general election, if a contest is not pending.

Approved April 17, 1998

CHAPTER 1120

MANDATORY RECORDING OF CERTAIN REAL ESTATE CONTRACTS

H.F. 2281

AN ACT providing for the mandatory recording of certain residential real estate installment sales contracts, providing a penalty, and providing for the Act's applicability.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **NEW SECTION.** 558.46 MANDATORY RECORDING OF CERTAIN RESIDENTIAL REAL ESTATE INSTALLMENT SALES CONTRACTS.

1. Every real estate installment sales contract transferring an interest in residential property shall be recorded by the contract seller with the county recorder in the county in which the real estate is situated not later than one hundred eighty days from the date the contract was signed by the contract seller and contract purchaser.

2. Failure to record a real estate contract required to be recorded by this section by the contract seller within the specified time limit is punishable by a fine not to exceed one hundred dollars per day for each day of violation. The county recorder shall record a real estate contract presented for recording even though not presented within one hundred eighty days of the signing of the contract. The county recorder shall forward to the county attorney a copy of each real estate contract recorded more than one hundred eighty days from the date the contract was signed by the contract seller and contract purchaser. The county attorney shall initiate action in the district court to enforce the provisions of this section. Fines collected pursuant to this subsection shall be deposited in the general fund of the county.

3. Failure to timely record shall not invalidate an otherwise valid real estate contract. However, a contract seller is prohibited from initiating forfeiture proceedings on the basis of a failure to comply with the terms of a real estate contract, if the contract has not been recorded.

4. If a real estate contract is required to be recorded under this section, the requirement is satisfied by recording either the entire real estate contract or a memorandum of the contract containing at least the names and addresses of all parties named in the contract, a description of all real property and interests in the real property subject to the contract, the length of the contract, and a statement as to whether the seller is entitled to the remedy of forfeiture and as to the dates upon which payments are due.

5. For the purposes of this section, "residential property" includes commercial property consisting of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes.

6. This section applies to residential real estate installment sales contracts entered into before, on, or after July 1, 1998. However, such contracts entered into before July 1, 1998, shall not be subject to the fine in subsection 2.

Sec. 2. Section 558.41, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A provision contained in a residential real estate installment sales contract which prohibits the recording of the contract, or the recording of a memorandum of the contract, is unenforceable by any party to the contract.

Approved April 17, 1998

CHAPTER 1121

MOTOR VEHICLE PROOF OF FINANCIAL RESPONSIBILITY

H.F. 2454

AN ACT relating to motor vehicle operator proof of financial responsibility and providing an effective date and for retroactive applicability.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 321.20B, subsections 1, 2, and 3, Code Supplement 1997, are amended to read as follows:

1. Notwithstanding chapter 321A, which requires certain persons to maintain proof of financial responsibility, a person shall not drive a motor vehicle ~~which is registered in this state~~ on the highways of this state unless financial liability coverage, as defined in section 321.1, subsection 24A, is in effect for the motor vehicle and unless the driver has in the motor vehicle the proof of financial liability coverage card issued for the motor vehicle, or if the vehicle is registered in another state, other evidence that financial liability coverage is in effect for the motor vehicle.

This subsection does not apply to the operator of a motor vehicle owned by or leased to the United States, this state or another state, or any political subdivision of this state or of another state, or to a motor vehicle which is subject to section ~~325.26, 327.15, 327A.5, 325A.6~~ or 327B.6.

2. a. An insurance company transacting business in this state shall issue to its insured owners of motor vehicles registered in this state a financial liability coverage card for each ~~registered~~ motor vehicle insured. Each financial liability coverage card shall identify the registration number or vehicle identification number of the motor vehicle insured and shall indicate the expiration date of the applicable insurance coverage. The financial liability coverage card shall also contain the name and address of the insurer or the name of the insurer and the name and address of the insurer insurance agency, the name of the insured, ~~the type of coverage provided~~, and an emergency telephone number of the insurer or emergency telephone number of the insurance agency.

b. The insurance division and the department, as appropriate, shall adopt rules regarding the contents of a financial liability coverage card to be issued pursuant to this section. Notwithstanding the provisions of this section, a fleet owner ~~shall~~ is not be required to maintain in each vehicle a financial liability coverage card with the individual registration number or the vehicle identification number of the vehicle included on the card. Such fleet owner shall be required to maintain a financial liability coverage card in each vehicle in the fleet including information deemed appropriate by the commissioner of insurance or the director, as applicable.