

this investment, is not deemed to be transacting an insurance business in this state. An underwriter or selling agent, or a partner, director, officer, member, manager, employee, or agent of such underwriter or selling agent, participating in a protected cell company insurance securitization, is not deemed to be conducting an insurance or reinsurance agency, brokerage, intermediary, advisory, or consulting business as a result of such participation.

Sec. 10. NEW SECTION. 521G.10 RULES.

The commissioner shall adopt rules pursuant to chapter 17A as are necessary to administer this chapter.

Approved April 5, 2000

CHAPTER 1047

MOTOR VEHICLE LEMON LAW

S.F. 2315

AN ACT relating to the motor vehicle lemon law, making an administrative fine applicable, and providing an effective date.

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

Section 1. Section 321.24, Code Supplement 1999, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 5:

NEW UNNUMBERED PARAGRAPH. If the prior certificate of title is from another state and indicates that the vehicle was returned to the manufacturer pursuant to a law of another state similar to chapter 322G, the new registration receipt and certificate of title, and all subsequent registration receipts and certificates of title issued for the vehicle, shall contain a designation indicating the vehicle was returned to the manufacturer. The department shall determine the manner in which other states' designations are to be indicated on Iowa registration receipts and certificates of title. The department may determine that a "REBUILT" or "SALVAGE" designation supersedes the designation required by this paragraph and include the "REBUILT" or "SALVAGE" designation on the registration receipt and certificate of title in lieu of the designation required by this paragraph.

Sec. 2. Section 321.46, subsections 1 and 2, Code Supplement 1999, are amended to read as follows:

1. The transferee shall within fifteen calendar days after purchase or transfer apply for and obtain from the county treasurer of the person's residence, or if a nonresident, the county treasurer of the county where the primary users of the vehicle are located or the county where all other vehicles owned by the nonresident are registered, a new registration and a new certificate of title for the vehicle except as provided in section 321.25, ~~or 321.48, or 322G.12.~~ The transferee shall present with the application the certificate of title endorsed and assigned by the previous owner and shall indicate the name of the county in which the vehicle was last registered and the registration expiration date. ~~The~~ Unless the transferee is a manufacturer obtaining a new certificate of title pursuant to section 322G.12, the transferee shall be required to list a driver's license number.

2. Upon filing the application for a new registration and a new title, the applicant shall pay a title fee of ten dollars and a registration fee prorated for the remaining unexpired months of the registration year. A manufacturer applying for a certificate of title pursuant to section 322G.12 shall pay a title fee of two dollars. However, ~~no~~ a title fee shall not be

charged to a mobile home dealer applying for a certificate of title for a used mobile home or manufactured housing, titled in Iowa, as required under section 321.45, subsection 4. The county treasurer, if satisfied of the genuineness and regularity of the application, and in the case of a mobile home or manufactured housing, that taxes are not owing under chapter 435, and that applicant has complied with all the requirements of this chapter, shall issue a new certificate of title and, except for a mobile home, ~~or manufactured housing,~~ or a vehicle returned to and accepted by a manufacturer as described in section 322G.12, a registration card to the purchaser or transferee, shall cancel the prior registration for the vehicle, and shall forward the necessary copies to the department on the date of issuance, as prescribed in section 321.24. Mobile homes or manufactured housing titled under chapter 448 that have been subject under section 446.18 to a public bidder sale in a county; shall be titled in the county's name, with no fee, and the county treasurer shall issue the title.

Sec. 3. Section 322G.12, Code 1999, is amended to read as follows:

322G.12 RESALE OF RETURNED VEHICLES.

~~Subsequent to December 31, 1991, a~~ A manufacturer who accepts the return of a motor vehicle pursuant to a settlement, determination, or decision under this chapter shall notify the state department of transportation, ~~and~~ report the vehicle identification number of that motor vehicle within ten days after the acceptance, ~~and obtain a new certificate of title for the vehicle in the manufacturer's name pursuant to section 321.46. In obtaining a new certificate of title, the manufacturer shall title the vehicle in the county of the transferor's residence and shall be exempt from the registration fee requirements of section 321.46. For purposes of chapter 423, a manufacturer's acceptance of the return of a motor vehicle, as described in this section, shall not be considered "use", as defined in section 423.1. The state department of transportation new certificate of title, and all subsequent registration receipts and certificates of title issued for the motor vehicle, shall note the fact contain a designation indicating that the motor vehicle was returned to the manufacturer pursuant to this chapter on the title for the motor vehicle or a similar law of another state. The state department of transportation shall determine the manner in which the designation is to be indicated on registration receipts and certificates of title and may determine that a "REBUILT" or "SALVAGE" designation supersedes the designation required by this paragraph and include the "REBUILT" or "SALVAGE" designation on the registration receipt and certificate of title in lieu of the designation required by this paragraph.~~

PARAGRAPH DIVIDED. A person shall not knowingly lease, ~~or,~~ sell, either at wholesale or retail, ~~or transfer a title to a motor vehicle returned by reason of a settlement, determination, or decision pursuant to this chapter or a similar statute of any other law of another state unless the nature of the nonconformity is clearly and conspicuously disclosed to the prospective transferee, lessee, or buyer. The attorney general shall prescribe by rule the form, content, and procedure pertaining to such a disclosure statement, recognizing the need of manufacturers to implement a uniform disclosure form. The manufacturer shall make a reasonable effort to ensure that such disclosure is made to the first subsequent retail buyer or lessee. For purposes of this subsection section, "settlement" includes an agreement entered into between the manufacturer and the consumer that occurs after the dispute has been submitted to a state-operated dispute resolution program or to a manufacturer-established program certified in this or any other state, but does not include agreements reached in informal proceedings prior to the first written or oral presentation to the state-operated or state-certified dispute resolution program by either party thirtieth day following the manufacturer's receipt of the consumer's written notification pursuant to section 322G.4. "Settlement" also includes an agreement entered into between a manufacturer and a consumer that occurs after the dispute has been submitted to a dispute resolution program that is not state-operated or state-certified.~~

Sec. 4. EFFECTIVE DATE. This Act takes effect January 1, 2001.