

JAN 9 2006

TRANSPORTATION

HOUSE FILE 2011  
BY LYKAM

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing for reassignment of a salvage certificate of  
2 title for a motor vehicle.

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

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HF 2011

1 Section 1. Section 321.52, subsection 4, paragraph a, Code  
2 Supplement 2005, is amended to read as follows:

3 a. A vehicle rebuilder or a person engaged in the business  
4 of buying, selling, or exchanging vehicles of a type required  
5 to be registered in this state, upon acquisition of a wrecked  
6 or salvage vehicle, shall surrender the certificate of title  
7 or manufacturer's or importer's statement of origin properly  
8 assigned, together with an application for a salvage  
9 certificate of title, to the county treasurer of the county of  
10 residence of the purchaser or transferee within thirty days  
11 after the date of assignment of the certificate of title for  
12 the wrecked or salvage motor vehicle. This subsection applies  
13 only to vehicles with a fair market value of five hundred  
14 dollars or more, based on the value before the vehicle became  
15 wrecked or salvage. Upon payment of a fee of two dollars, the  
16 county treasurer shall issue a salvage certificate of title  
17 which shall bear the word "SALVAGE" stamped or printed on the  
18 face of the title in a manner prescribed by the department. A  
19 salvage certificate of title may be assigned to an educational  
20 institution, a new motor vehicle dealer licensed under chapter  
21 322, a person engaged in the business of purchasing bodies,  
22 parts of bodies, frames or component parts of vehicles for  
23 sale as scrap metal, a salvage pool, or an authorized vehicle  
24 recycler licensed under chapter 321H. An authorized vehicle  
25 recycler licensed under chapter 321H or a new motor vehicle  
26 dealer licensed under chapter 322 may assign or reassign a  
27 salvage certificate of title to any person. A vehicle on  
28 which ownership has transferred to an insurer of the vehicle  
29 as a result of a settlement with the owner of the vehicle  
30 arising out of damage to, or unrecovered theft of, the vehicle  
31 shall be deemed to be a wrecked or salvage vehicle and the  
32 insurer shall comply with this subsection to obtain a salvage  
33 certificate of title within thirty days after the date of  
34 assignment of the certificate of title of the vehicle.

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EXPLANATION

1 Under current law, a motor vehicle dealer or recycler who  
2 accepts assignment of title for a wrecked or salvage motor  
3 vehicle must apply to the county treasurer and pay a \$2 fee  
4 for issuance of a new salvage certificate of title prior to  
5 transferring ownership of the vehicle to another party. This  
6 bill would permit the dealer or recycler to reassign the  
7 salvage title to another dealer or recycler, or to any other  
8 person, without first obtaining a new salvage certificate of  
9 title.

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