

February 12, 1951.
Passed on File.

Senate File 317
By AUGUSTINE.

Passed Senate, Date.....
Vote: Ayes..... Nays.....
Passed House, Date
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act to amend chapter three hundred twenty-one (321),
Code 1950, relating to motor vehicles and law of
road.

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

- 1 Section 1. Section three hundred twenty-one point one
2 (321.1), Code 1950, is hereby amended as follows:
- 3 1. By striking all of subsection thirty-six (36) and
4 substituting in lieu thereof the following:
- 5 “ ‘owner’ means a person having all the incidents of
6 ownership, including the legal title of a vehicle whether
7 or not such person lends, rents or pledges such vehicle ;
8 the person entitled to the possession of a vehicle as the
9 purchaser under a conditional sale contract; the mortgagor
10 of a vehicle; or the state, or any county, city, district
11 or political subdivision of the state, when entitled to the
12 possession and use of a vehicle under a lease, lease-sale,
13 or rental-purchase agreement for a period of twelve (12)
14 months or more.”
- 15 2. By adding thereto a new subsection as follows:
- 16 “ ‘Legal owner’ means a person holding the legal title

17 to a vehicle under a conditional sale contract, the mortgagee
18 of a vehicle, or the renter or lessor of a vehicle to the state,
19 or to any county, city, district or political subdivision of
20 the state, under a lease, lease-sale or rental-purchase
21 agreement which grants possession of the vehicle to the lessee
22 for a period of twelve (12) months or more.”

1 Sec. 2. Section three hundred twenty-one point twenty-one
2 (321.21), Code 1950, is hereby amended by striking everything
3 therein and substituting in lieu thereof the following:

4 “The county treasurer shall file each application received
5 and when satisfied as to the genuineness and regularity thereof,
6 and that the applicant is entitled to register such vehicle,
7 shall register the vehicle therein described and keep a record
8 thereof in suitable books or on index cards as follows:

9 (1) Under a distinctive registration number assigned to
10 the vehicle.

11 (2) Alphabetically, under the name of the owner.

12 (3) Under the motor or a permanent identifying number of
13 the vehicle as may be determined by the department.”

1 Sec. 3. Chapter three hundred twenty-one (321), Code 1950,
2 is hereby amended by adding thereto the following new sections:

3 “The department shall not accept the application for the
4 original registration of a vehicle in this state unless the
5 vehicle at the time of application is within this state except
6 that the department may accept an application for registration
7 of a new vehicle which is not within this state when the

8 application is accompanied by an affidavit signed by both the
9 seller and purchaser giving the name and address of each, a
10 description of the vehicle, including a statement of the weight
11 thereof with reference to any vehicle subject to fees based
12 upon its weight, and a statement that the vehicle is purchased
13 for use in this state and not for immediate resale and that
14 the sales tax or use tax payable in this state has been paid
15 or that report of such sale has been made and payment of such
16 tax arranged for or secured with the proper state authorities.

17 "Upon application for registration of a vehicle previously
18 registered outside this state, the application shall be verified
19 and shall also state such fact and the time and place of the
20 last registration of such vehicle outside this state and the
21 name and address of the governmental officer, agency, or
22 authority making such registration, together with such further
23 information relative to its previous registration as may
24 reasonably be required by the department, including the time
25 and place of original registration, if known, and if different
26 from such last foreign registration. The applicant shall
27 surrender to the department all unexpired license plates, seals,
28 certificates or other evidence of foreign registration as may
29 be in his possession or under his control. Upon application
30 made at the time of their surrender to the department and upon
31 payment of a fee of one dollar (\$1.00), the department shall
32 return the unexpired license plates to the official in charge
33 of the registration of motor vehicles in the state of issue

34 of said license plates.

35 “Where in the course of interstate operation of a vehicle
36 registered in another state it is desirable to retain registration
37 of said vehicle in such other state, such applicant need not
38 surrender but shall submit for inspection said evidence of such
39 foreign registration and the department upon a proper showing
40 shall register said vehicle in this state but shall not issue
41 a certificate of ownership for such vehicle.

42 “Upon application for registration of a vehicle previously
43 registered outside this state the department shall grant full
44 faith and credit to the currently valid certificate of title
45 describing such vehicle, the ownership thereof and any liens
46 thereon, issued by the state in which the vehicle was last
47 registered, provided the laws of such state provide for the
48 notation upon such certificate of title of any and all liens
49 and encumbrances other than those dependent upon possession.

50 “The acceptance by the department of a certificate of
51 title issued by another state as herein provided in the
52 absence of knowledge by the department that any said certificate
53 is forged, fraudulent or void shall be a sufficient determination
54 of the genuineness and regularity of such certificate and of the
55 truth of the recitals therein and no liability shall be
56 incurred by any officer or employee of the department by
57 reason of so accepting any said certificate of title.

58 “In the event a certificate of title issued by another state
59 shows any lien or encumbrance upon the vehicle therein described,

60 then the department upon registering such vehicle in this state
61 and upon issuing a certificate of ownership shall include
62 therein the name of such lienholder as legal owner unless
63 documents submitted with the foreign certificate of title
64 establish that the lien or encumbrance has been fully satisfied.

65 “In the event application is made in Iowa for registration
66 of a vehicle from a state which issues only a registration card
67 and does not issue a certificate of title and in the event the
68 department is not satisfied as to the ownership of the vehicle
69 or the existence of foreign liens thereon, then the department
70 may register the vehicle and issue a registration card of a
71 distinctive color and license plates but shall withhold issuance
72 of an Iowa certificate of ownership unless and until the
73 applicant shall present such documents as to reasonably satisfy
74 the department of the applicant’s ownership of the vehicle and
75 as to any liens thereon or in the alternative the applicant
76 shall file with the department a bond or securities in such
77 form as determined by the department in an amount equal to the
78 value of the vehicle, which bond or securities and the deposit
79 thereof shall be conditioned to protect the department and all
80 officers and employees thereof and any subsequent purchaser of
81 the vehicle or person acquiring any lien thereon or the successor
82 in interest of any said person against any loss or damage on
83 account of any defect in or undisclosed encumbrance upon the
84 right, title and interest of the applicant in and to the vehicle.
85 Any such interested person shall have a right of action to

86 recover on any such bond or securities for any breach of the
87 conditions for which the same was deposited but the aggregate
88 liability of the surety to all such persons shall in no event
89 exceed the amount of the bond. Such bond or securities shall
90 be returned and surrendered at the end of three years or prior
91 thereto in the event the vehicle is no longer registered in this
92 state and the currently valid certificate of ownership is
93 surrendered to the department.

94 “The department shall forthwith mail a notice of the filing
95 of any application for registration of a vehicle previously
96 registered outside this state to the governmental officer,
97 agency, or authority which made the last registration of
98 such vehicle outside this state. Such notice must contain
99 like data as required on the application filed with the
100 department. The foregoing requirements of this section shall
101 not apply with reference to commercial vehicles operating in
102 interstate transportation.

103 “The county treasurer upon registering a vehicle shall
104 issue a certificate of ownership to the legal owner and a
105 registration card to the owner, or both to the owner if there
106 is no legal owner of the vehicle.

107 “The registration card shall contain upon the face thereof
108 the date issued, the name and address of the owner and of the
109 legal owner if any, the registration number assigned to the
110 vehicle and a description of such vehicle as complete as that
111 required in the application for registration of such vehicle.

112 “The department shall have authority to modify the form,
113 arrangement, and information appearing on the face of the
114 registration card whenever he shall find that the efficiency of
115 the department will be promoted thereby.

116 “The certificate of ownership shall contain upon the face
117 thereof the identical information required upon the face of the
118 registration card.

119 “The certificate of ownership shall contain upon the
120 reverse side forms for notice to the department of a transfer
121 of the title or interest of the owner or legal owner and application
122 for such transfer by the transferee.

123 “The certificate of ownership and registration card issued
124 upon registration of a vehicle previously registered outside
125 this state and every renewal or reissue thereof shall give
126 the name of the state or country in which such vehicle was
127 last previously registered outside this state.

128 “A legal owner may assign his title or interest in or to
129 a vehicle registered hereunder to a person other than the owner
130 without the consent of and without affecting the interest of
131 such owner. The department upon receiving a certificate of
132 ownership indorsed by the legal owner and the transferee of
133 legal ownership accompanied by the registration card shall
134 accordingly transfer the legal ownership and shall issue a
135 new certificate of ownership to the new legal owner and a new
136 registration card to the owner.

137 “The owner upon receiving such new registration card shall

138 immediately sign the same and place it in the vehicle to which
139 it refers.

140 “No chattel mortgage on any vehicle registered hereunder
141 irrespective of whether such registration was effected prior
142 or subsequent to the execution of such mortgage, is valid as
143 against creditors or subsequent purchasers or encumbrancers
144 until the mortgagee or his successor or assignee has deposited
145 with the county auditor a copy of said mortgage with an
146 attached certificate of a notary public stating that the same
147 is a true and correct copy of the original, accompanied by a
148 properly endorsed certificate of ownership to the vehicle
149 described in said mortgage if said vehicle is then registered
150 hereunder, or if said vehicle is not so registered, by an
151 application in usual form for an original registration,
152 together with an application for registration as legal owner,
153 and upon payment of the fees as provided in this code. The
154 county auditor in accepting the mortgage for deposit, or in
155 registering the mortgagee, his successor or assignee as legal
156 owner, shall not be required to examine the mortgage or
157 determine the genuineness, regularity or legal sufficiency
158 thereof.

159 “When the chattel mortgagee, his successor or assignee,
160 has deposited with the department a copy of the chattel
161 mortgage, such deposit constitutes constructive notice of
162 said mortgage and its contents to its creditors and subsequent
163 purchasers and encumbrancers.

164 “Upon the deposit of any such chattel mortgage and
165 application for registration and upon the payment of the fees
166 as provided in this code, the county treasurer shall register
167 the mortgagee, his successor or assignee as legal owner in
168 the manner provided for the registration of motor vehicles
169 under the provisions of this Act.

170 “The method provided in this chapter for giving constructive
171 notice of a chattel mortgage on a vehicle registered hereunder
172 is exclusive and any such chattel mortgage is excepted from
173 the provisions of Chapter 556, Code 1950.”

1 Sec. 4. Section three hundred twenty-one point forty-five
2 (321.45), Code 1950, is hereby amended by striking everything
3 therein and substituting in lieu thereof the following:

4 “Upon a transfer of the title or any interest of the legal
5 owner or owner in or to a vehicle registered hereunder, the
6 person whose title or interest is to be transferred shall write
7 his signature, and the transferee shall write his signature
8 and address, in the appropriate spaces provided upon the reverse
9 side of the certificate of ownership issued for such vehicle,
10 and shall immediately notify the county treasurer of such
11 sale or transfer giving the date thereof, the name and address
12 of such legal owner or owner and of the transferee and such
13 description of the vehicle as may be required in the appropriate
14 form provided for such purpose by the department.”