

Carroll Chair  
Van Engelenhoven  
Reader

HSB 634  
LOCAL GOVERNMENT

added by  
02365  
HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON VAN ENGELENHOVEN)

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

**A BILL FOR**

1 An Act relating to certain documents indexed and recorded with  
2 the county recorder.

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

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1 Section 1. Section 10A.108, subsection 5, Code 2001, is  
2 amended to read as follows:

3 5. The recorder shall endorse on each notice of lien the  
4 day and time received and shall preserve the notice. The  
5 recorder shall index the notice ~~in-the-index-book~~ and shall  
6 record the lien in the manner provided for recording real  
7 estate mortgages. The lien shall be effective from the time  
8 of the indexing.

9 Sec. 2. Section 124C.4, subsection 3, Code 2001, is  
10 amended to read as follows:

11 3. Each notice of lien shall be endorsed with the day,  
12 hour, and minute when the notice was received, and the notice  
13 shall be preserved, indexed ~~in-the-index-book~~, and recorded in  
14 the manner provided for recording real estate mortgages. The  
15 lien shall be effective from the time of its indexing. The  
16 department shall pay a recording fee as provided by section  
17 331.604 for the recording of the lien or for its satisfaction.

18 Sec. 3. Section 354.16, subsection 2, paragraph c, Code  
19 2001, is amended to read as follows:

20 c. A list for each lot within the plat of the proprietor's  
21 names, the area, expressed in acreage or square feet, the book  
22 ~~and-page~~ document reference number of the recorded conveyance  
23 to the proprietors and the permanent real estate index number,  
24 where established.

25 Sec. 4. Section 424.11, unnumbered paragraph 4, Code 2001,  
26 is amended by striking the unnumbered paragraph.

27 Sec. 5. Section 424.11, unnumbered paragraph 5, Code 2001,  
28 is amended to read as follows:

29 The recorder shall endorse on each notice of lien the day,  
30 hour, and minute when received and preserve the notice, and  
31 shall immediately index the notice ~~in-the-index-book~~ and  
32 record the lien in the manner provided for recording real  
33 estate mortgages, and the lien shall be effective from the  
34 time of its indexing.

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EXPLANATION

634

1 This bill amends Code sections relating to the recording  
2 with the county recorder of documents relating to liens and to  
3 documents presented for recording with regard to the platting  
4 and subdivision of land.

5 The bill strikes the term "index book" in reference to  
6 indexing notices of liens. Current law allows the recorder to  
7 maintain a combined index record or system in lieu of separate  
8 index books. The bill strikes redundant language relating to  
9 the recording of environmental protection charge liens. The  
10 bill also substitutes "document reference" number for  
11 references to "book and page" number.

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S-2/28/02 Local Govt  
S-3/5/02 Do Pass

5-3/1/02 UNFINISHED BUSINESS CALENDAR

FEB 15 2002

Place On Calendar

HOUSE FILE 2365

BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 634)

Passed House, Date <sup>(P.561)</sup> 2/27/02

Passed Senate, Date <sup>(P.832)</sup> 3-27-02

Vote: Ayes 97 Nays 1

Vote: Ayes 46 Nays 0

Approved April 12, 2002

(P.1109) returned 4-1-02  
vote 94-0

**A BILL FOR**

1 An Act relating to certain documents indexed and recorded with  
2 the county recorder.

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

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HF 2365

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2 amended to read as follows:

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4 day and time received and shall preserve the notice. The  
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7 estate mortgages. The lien shall be effective from the time  
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14 the manner provided for recording real estate mortgages. The  
15 lien shall be effective from the time of its indexing. The  
16 department shall pay a recording fee as provided by section  
17 331.604 for the recording of the lien or for its satisfaction.

18 Sec. 3. Section 354.16, subsection 2, paragraph c, Code  
19 2001, is amended to read as follows:

20 c. A list for each lot within the plat of the proprietor's  
21 names, the area, expressed in acreage or square feet, the ~~book~~  
22 and-page document reference number of the recorded conveyance  
23 to the proprietors and the permanent real estate index number,  
24 where established.

25 Sec. 4. Section 424.11, unnumbered paragraph 4, Code 2001,  
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32 record the lien in the manner provided for recording real  
33 estate mortgages, and the lien shall be effective from the  
34 time of its indexing.

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EXPLANATION

1 This bill amends Code sections relating to the recording  
2 with the county recorder of documents relating to liens and to  
3 documents presented for recording with regard to the platting  
4 and subdivision of land.

5 The bill strikes the term "index book" in reference to  
6 indexing notices of liens. Current law allows the recorder to  
7 maintain a combined index record or system in lieu of separate  
8 index books. The bill strikes redundant language relating to  
9 the recording of environmental protection charge liens. The  
10 bill also substitutes "document reference" number for  
11 references to "book and page" number.

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HOUSE FILE 2365

S-5220

1 Amend House File 2365, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting after line 17, the  
4 following:

5 "Sec. \_\_\_\_ . NEW SECTION. 331.606A DOCUMENT  
6 CONTENT -- PROHIBITION OF INCLUDING SOCIAL SECURITY  
7 NUMBER.

8 The preparer of a document shall not include an  
9 individual's federal social security number in a  
10 document that is prepared for recording in the office  
11 of county recorder. This section does not apply to a  
12 preparer of a state or federal tax lien or a military  
13 separation or discharge record that is prepared for  
14 recording in the office of county recorder. If a  
15 military separation or discharge record is recorded in  
16 the office of the county recorder, the military  
17 separation or discharge record shall not be accessible  
18 through the internet.

19 Sec. \_\_\_\_ . Section 331.602, subsection 4, Code  
20 Supplement 2001, is amended by striking the  
21 subsection."

22 2. By renumbering as necessary.

By E. THURMAN GASKILL

S-5220 FILED MARCH 19, 2002

*Adopted 3-27-02*  
*(p. 833)*

## HOUSE FILE 2365

## S-5235

1 Amend House File 2365, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting after line 17, the  
4 following:

5 "Sec. \_\_\_\_ . Section 321G.29, Code 2001, is amended  
6 by adding the following new subsection:

7 NEW SUBSECTION. 10. If the county recorder is not  
8 satisfied as to the ownership of the snowmobile or  
9 all-terrain vehicle or that there are no undisclosed  
10 security interests in the snowmobile or all-terrain  
11 vehicle, the county recorder may issue a certificate  
12 of title for the snowmobile or all-terrain vehicle,  
13 but, as a condition of such issuance, may require the  
14 applicant to file with the department a bond in the  
15 form prescribed by the department and executed by the  
16 applicant, and also executed by a person authorized to  
17 conduct a surety business in this state. The form and  
18 amount of the bond shall be established by rule of the  
19 department. The bond shall be conditioned to  
20 indemnify any prior owner and secured party and any  
21 subsequent purchaser of the snowmobile or all-terrain  
22 vehicle or person acquiring any security interest in  
23 the snowmobile or all-terrain vehicle, and their  
24 respective successors in interest, against any  
25 expense, loss, or damage, including reasonable  
26 attorney fees, by reason of the issuance of the  
27 certificate of title of the snowmobile or all-terrain  
28 vehicle or on account of any defect in or undisclosed  
29 security interest upon the right, title, and interest  
30 of the applicant in and to the snowmobile or all-  
31 terrain vehicle. Any such interested person has a  
32 right of action to recover on the bond for any breach  
33 of its conditions, but the aggregate liability of the  
34 surety to all persons shall not exceed the amount of  
35 the bond. The bond shall be returned at the end of  
36 three years or prior thereto if the snowmobile or all-  
37 terrain vehicle is no longer registered in this state  
38 and the certificate of title is surrendered to the  
39 department, unless the department has been notified of  
40 the pendency of an action to recover on the bond."

41 2. Page 1, by inserting after line 34, the  
42 following:

43 "Sec. \_\_\_\_ . Section 462A.5, subsection 1,  
44 unnumbered paragraph 2, Code Supplement 2001, is  
45 amended to read as follows:

46 The owner of the vessel shall file an application  
47 for registration with the appropriate county recorder  
48 on forms provided by the commission. The application  
49 shall be completed and signed by the owner of the  
50 vessel and shall be accompanied by the appropriate

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1 fee, and the writing fee specified in section 462A.53.  
2 Upon applying for registration, the owner shall  
3 display a bill of sale, receipt, or other satisfactory  
4 proof of ownership as provided by the rules of the  
5 commission to the county recorder. If the county  
6 recorder is not satisfied as to the ownership of the  
7 vessel or that there are no undisclosed security  
8 interests in the vessel, the county recorder may  
9 register the vessel but shall, as a condition of  
10 issuing a registration certificate, require the  
11 applicant to follow the procedure provided in section  
12 462A.5A. Upon receipt of the application in approved  
13 form accompanied by the required fees, the county  
14 recorder shall enter it upon the records of the  
15 recorder's office and shall issue to the applicant a  
16 pocket-size registration certificate. The certificate  
17 shall be executed in triplicate, one copy to be  
18 delivered to the owner, one copy to the commission,  
19 and one copy to be retained on file by the county  
20 recorder. The registration certificate shall bear the  
21 number awarded to the vessel, the passenger capacity  
22 of the vessel, and the name and address of the owner.  
23 In the use of all vessels except nonpowered sailboats,  
24 nonpowered canoes, and commercial vessels, the  
25 registration certificate shall be carried either in  
26 the vessel or on the person of the operator of the  
27 vessel when in use. In the use of nonpowered  
28 sailboats, nonpowered canoes, or commercial vessels,  
29 the registration certificate may be kept on shore in  
30 accordance with rules adopted by the commission. The  
31 operator shall exhibit the certificate to a peace  
32 officer upon request or, when involved in a collision  
33 or accident of any nature with another vessel or other  
34 personal property, to the owner or operator of the  
35 other vessel or personal property.

36 Sec. \_\_\_\_ . NEW SECTION. 462A.5A FILING BOND AS  
37 ASSURANCE OF OWNERSHIP.

38 An applicant for registration of a vessel for which  
39 the county recorder is not satisfied as to the  
40 ownership of the vessel as provided in section 462A.5,  
41 subsection 1, shall file with the department a bond in  
42 the form prescribed by the department and executed by  
43 the applicant, and also executed by a person  
44 authorized to conduct a surety business in this state.  
45 The form and amount of the bond shall be established  
46 by rule of the department. The bond shall be  
47 conditioned to indemnify any prior owner and secured  
48 party and any subsequent purchaser of the vessel or  
49 person acquiring any security interest in the vessel,  
50 and their respective successors in interest, against

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1 any expense, loss, or damage, including reasonable  
2 attorney fees, by reason of the issuance of the  
3 registration certificate of the vessel or on account  
4 of any defect in or undisclosed security interest upon  
5 the right, title, and interest of the applicant in and  
6 to the vessel. Any such interested person has a right  
7 of action to recover on the bond for any breach of its  
8 conditions, but the aggregate liability of the surety  
9 to all persons shall not exceed the amount of the  
10 bond. The bond shall be returned at the end of three  
11 years or prior thereto if the vessel is no longer  
12 registered in this state and the registration  
13 certificate is surrendered to the department, unless  
14 the department has been notified of the pendency of an  
15 action to recover on the bond."

16 3. Title page, line 1, by inserting after the  
17 word "to" the following: "county recorders,  
18 including".

19 4. Title page, line 2, by inserting after the  
20 word "recorder" the following: "and a method for  
21 issuing certificates of title for snowmobiles and all-  
22 terrain vehicles, and registration certificates for  
23 certain watercraft, for which ownership has not been  
24 conclusively established".

25 5. By renumbering as necessary.

By E. THURMAN GASKILL

S-5235 FILED MARCH 20, 2002

*Adopted*  
*3-27-02*  
*p. 833*

## SENATE AMENDMENT TO HOUSE FILE 2365

H-8465

1 Amend House File 2365, as passed by the House, as  
2 follows:

3 1. Page 1, by inserting after line 17, the  
4 following:

5 "Sec. \_\_\_\_ . Section 321G.29, Code 2001, is amended  
6 by adding the following new subsection:

7 NEW SUBSECTION. 10. If the county recorder is not  
8 satisfied as to the ownership of the snowmobile or  
9 all-terrain vehicle or that there are no undisclosed  
10 security interests in the snowmobile or all-terrain  
11 vehicle, the county recorder may issue a certificate  
12 of title for the snowmobile or all-terrain vehicle,  
13 but, as a condition of such issuance, may require the  
14 applicant to file with the department a bond in the  
15 form prescribed by the department and executed by the  
16 applicant, and also executed by a person authorized to  
17 conduct a surety business in this state. The form and  
18 amount of the bond shall be established by rule of the  
19 department. The bond shall be conditioned to  
20 indemnify any prior owner and secured party and any  
21 subsequent purchaser of the snowmobile or all-terrain  
22 vehicle or person acquiring any security interest in  
23 the snowmobile or all-terrain vehicle, and their  
24 respective successors in interest, against any  
25 expense, loss, or damage, including reasonable  
26 attorney fees, by reason of the issuance of the  
27 certificate of title of the snowmobile or all-terrain  
28 vehicle or on account of any defect in or undisclosed  
29 security interest upon the right, title, and interest  
30 of the applicant in and to the snowmobile or all-  
31 terrain vehicle. Any such interested person has a  
32 right of action to recover on the bond for any breach  
33 of its conditions, but the aggregate liability of the  
34 surety to all persons shall not exceed the amount of  
35 the bond. The bond shall be returned at the end of  
36 three years or prior thereto if the snowmobile or all-  
37 terrain vehicle is no longer registered in this state  
38 and the certificate of title is surrendered to the  
39 department, unless the department has been notified of  
40 the pendency of an action to recover on the bond."

41 2. Page 1, by inserting after line 17, the  
42 following:

43 "Sec. \_\_\_\_ . NEW SECTION. 331.606A DOCUMENT  
44 CONTENT -- PROHIBITION OF INCLUDING SOCIAL SECURITY  
45 NUMBER.

46 The preparer of a document shall not include an  
47 individual's federal social security number in a  
48 document that is prepared for recording in the office  
49 of county recorder. This section does not apply to a  
50 preparer of a state or federal tax lien or a military

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1 separation or discharge record that is prepared for  
2 recording in the office of county recorder. If a  
3 military separation or discharge record is recorded in  
4 the office of the county recorder, the military  
5 separation or discharge record shall not be accessible  
6 through the internet.

7 Sec. \_\_\_\_\_. Section 331.602, subsection 4, Code  
8 Supplement 2001, is amended by striking the  
9 subsection."

10 3. Page 1, by inserting after line 34, the  
11 following:

12 "Sec. \_\_\_\_\_. Section 462A.5, subsection 1,  
13 unnumbered paragraph 2, Code Supplement 2001, is  
14 amended to read as follows:

15 The owner of the vessel shall file an application  
16 for registration with the appropriate county recorder  
17 on forms provided by the commission. The application  
18 shall be completed and signed by the owner of the  
19 vessel and shall be accompanied by the appropriate  
20 fee, and the writing fee specified in section 462A.53.  
21 Upon applying for registration, the owner shall  
22 display a bill of sale, receipt, or other satisfactory  
23 proof of ownership as provided by the rules of the  
24 commission to the county recorder. If the county  
25 recorder is not satisfied as to the ownership of the  
26 vessel or that there are no undisclosed security  
27 interests in the vessel, the county recorder may  
28 register the vessel but shall, as a condition of  
29 issuing a registration certificate, require the  
30 applicant to follow the procedure provided in section  
31 462A.5A. Upon receipt of the application in approved  
32 form accompanied by the required fees, the county  
33 recorder shall enter it upon the records of the  
34 recorder's office and shall issue to the applicant a  
35 pocket-size registration certificate. The certificate  
36 shall be executed in triplicate, one copy to be  
37 delivered to the owner, one copy to the commission,  
38 and one copy to be retained on file by the county  
39 recorder. The registration certificate shall bear the  
40 number awarded to the vessel, the passenger capacity  
41 of the vessel, and the name and address of the owner.  
42 In the use of all vessels except nonpowered sailboats,  
43 nonpowered canoes, and commercial vessels, the  
44 registration certificate shall be carried either in  
45 the vessel or on the person of the operator of the  
46 vessel when in use. In the use of nonpowered  
47 sailboats, nonpowered canoes, or commercial vessels,  
48 the registration certificate may be kept on shore in  
49 accordance with rules adopted by the commission. The  
50 operator shall exhibit the certificate to a peace

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1 officer upon request or, when involved in a collision  
2 or accident of any nature with another vessel or other  
3 personal property, to the owner or operator of the  
4 other vessel or personal property.

5 Sec. \_\_\_\_ . NEW SECTION. 462A.5A FILING BOND AS  
6 ASSURANCE OF OWNERSHIP.

7 An applicant for registration of a vessel for which  
8 the county recorder is not satisfied as to the  
9 ownership of the vessel as provided in section 462A.5,  
10 subsection 1, shall file with the department a bond in  
11 the form prescribed by the department and executed by  
12 the applicant, and also executed by a person  
13 authorized to conduct a surety business in this state.  
14 The form and amount of the bond shall be established  
15 by rule of the department. The bond shall be  
16 conditioned to indemnify any prior owner and secured  
17 party and any subsequent purchaser of the vessel or  
18 person acquiring any security interest in the vessel,  
19 and their respective successors in interest, against  
20 any expense, loss, or damage, including reasonable  
21 attorney fees, by reason of the issuance of the  
22 registration certificate of the vessel or on account  
23 of any defect in or undisclosed security interest upon  
24 the right, title, and interest of the applicant in and  
25 to the vessel. Any such interested person has a right  
26 of action to recover on the bond for any breach of its  
27 conditions, but the aggregate liability of the surety  
28 to all persons shall not exceed the amount of the  
29 bond. The bond shall be returned at the end of three  
30 years or prior thereto if the vessel is no longer  
31 registered in this state and the registration  
32 certificate is surrendered to the department, unless  
33 the department has been notified of the pendency of an  
34 action to recover on the bond."

35 4. Title page, line 1, by inserting after the  
36 word "to" the following: "county recorders,  
37 including".

38 5. Title page, line 2, by inserting after the  
39 word "recorder" the following: "and a method for  
40 issuing certificates of title for snowmobiles and all-  
41 terrain vehicles, and registration certificates for  
42 certain watercraft, for which ownership has not been  
43 conclusively established".

44 6. By renumbering, relettering, or redesignating  
45 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

**H-8465** FILED MARCH 27, 2002*House Concurred*

4-1-02

(P. 1108)

HOUSE FILE 2365

AN ACT

RELATING TO COUNTY RECORDERS, INCLUDING CERTAIN DOCUMENTS INDEXED AND RECORDED WITH THE COUNTY RECORDER AND A METHOD FOR ISSUING CERTIFICATES OF TITLE FOR SNOWMOBILES AND ALL-TERRAIN VEHICLES, AND REGISTRATION CERTIFICATES FOR CERTAIN WATERCRAFT, FOR WHICH OWNERSHIP HAS NOT BEEN CONCLUSIVELY ESTABLISHED.

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

Section 1. Section 10A.108, subsection 5, Code 2001, is amended to read as follows:

5. The recorder shall endorse on each notice of lien the day and time received and shall preserve the notice. The recorder shall index the notice ~~in-the-index-book~~ and shall record the lien in the manner provided for recording real estate mortgages. The lien shall be effective from the time of the indexing.

Sec. 2. Section 124C.4, subsection 3, Code 2001, is amended to read as follows:

3. Each notice of lien shall be endorsed with the day, hour, and minute when the notice was received, and the notice shall be preserved, indexed ~~in-the-index-book~~, and recorded in the manner provided for recording real estate mortgages. The lien shall be effective from the time of its indexing. The department shall pay a recording fee as provided by section 331.604 for the recording of the lien or for its satisfaction.

Sec. 3. Section 321G.29, Code 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 10. If the county recorder is not satisfied as to the ownership of the snowmobile or all-terrain vehicle or that there are no undisclosed security interests in the snowmobile or all-terrain vehicle, the county recorder may

issue a certificate of title for the snowmobile or all-terrain vehicle, but, as a condition of such issuance, may require the applicant to file with the department a bond in the form prescribed by the department and executed by the applicant, and also executed by a person authorized to conduct a surety business in this state. The form and amount of the bond shall be established by rule of the department. The bond shall be conditioned to indemnify any prior owner and secured party and any subsequent purchaser of the snowmobile or all-terrain vehicle or person acquiring any security interest in the snowmobile or all-terrain vehicle, and their respective successors in interest, against any expense, loss, or damage, including reasonable attorney fees, by reason of the issuance of the certificate of title of the snowmobile or all-terrain vehicle or on account of any defect in or undisclosed security interest upon the right, title, and interest of the applicant in and to the snowmobile or all-terrain vehicle. Any such interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond shall be returned at the end of three years or prior thereto if the snowmobile or all-terrain vehicle is no longer registered in this state and the certificate of title is surrendered to the department, unless the department has been notified of the pendency of an action to recover on the bond.

Sec. 4. NEW SECTION. 331.606A DOCUMENT CONTENT -- PROHIBITION OF INCLUDING SOCIAL SECURITY NUMBER.

The preparer of a document shall not include an individual's federal social security number in a document that is prepared for recording in the office of county recorder. This section does not apply to a preparer of a state or federal tax lien or a military separation or discharge record that is prepared for recording in the office of county recorder. If a military separation or discharge record is recorded in the office of the county recorder, the military

separation or discharge record shall not be accessible through the internet.

Sec. 5. Section 331.602, subsection 4, Code Supplement 2001, is amended by striking the subsection.

Sec. 6. Section 354.16, subsection 2, paragraph c, Code 2001, is amended to read as follows:

c. A list for each lot within the plat of the proprietor's names, the area, expressed in acreage or square feet, the ~~book and-page~~ document reference number of the recorded conveyance to the proprietors and the permanent real estate index number, where established.

Sec. 7. Section 424.11, unnumbered paragraph 4, Code 2001, is amended by striking the unnumbered paragraph.

Sec. 8. Section 424.11, unnumbered paragraph 5, Code 2001, is amended to read as follows:

The recorder shall endorse on each notice of lien the day, hour, and minute when received and preserve the notice, and shall immediately index the notice ~~in-the-index-book~~ and record the lien in the manner provided for recording real estate mortgages, and the lien shall be effective from the time of its indexing.

Sec. 9. Section 462A.5, subsection 1, unnumbered paragraph 2, Code Supplement 2001, is amended to read as follows:

The owner of the vessel shall file an application for registration with the appropriate county recorder on forms provided by the commission. The application shall be completed and signed by the owner of the vessel and shall be accompanied by the appropriate fee, and the writing fee specified in section 462A.53. Upon applying for registration, the owner shall display a bill of sale, receipt, or other satisfactory proof of ownership as provided by the rules of the commission to the county recorder. If the county recorder is not satisfied as to the ownership of the vessel or that there are no undisclosed security interests in the vessel, the county recorder may register the vessel but shall, as a condition of issuing a registration certificate, require the

applicant to follow the procedure provided in section 462A.5A. Upon receipt of the application in approved form accompanied by the required fees, the county recorder shall enter it upon the records of the recorder's office and shall issue to the applicant a pocket-size registration certificate. The certificate shall be executed in triplicate, one copy to be delivered to the owner, one copy to the commission, and one copy to be retained on file by the county recorder. The registration certificate shall bear the number awarded to the vessel, the passenger capacity of the vessel, and the name and address of the owner. In the use of all vessels except nonpowered sailboats, nonpowered canoes, and commercial vessels, the registration certificate shall be carried either in the vessel or on the person of the operator of the vessel when in use. In the use of nonpowered sailboats, nonpowered canoes, or commercial vessels, the registration certificate may be kept on shore in accordance with rules adopted by the commission. The operator shall exhibit the certificate to a peace officer upon request or, when involved in a collision or accident of any nature with another vessel or other personal property, to the owner or operator of the other vessel or personal property.

Sec. 10. NEW SECTION. 462A.5A FILING BOND AS ASSURANCE OF OWNERSHIP.

An applicant for registration of a vessel for which the county recorder is not satisfied as to the ownership of the vessel as provided in section 462A.5, subsection 1, shall file with the department a bond in the form prescribed by the department and executed by the applicant, and also executed by a person authorized to conduct a surety business in this state. The form and amount of the bond shall be established by rule of the department. The bond shall be conditioned to indemnify any prior owner and secured party and any subsequent purchaser of the vessel or person acquiring any security interest in the vessel, and their respective successors in interest, against any expense, loss, or damage, including

reasonable attorney fees, by reason of the issuance of the registration certificate of the vessel or on account of any defect in or undisclosed security interest upon the right, title, and interest of the applicant in and to the vessel. Any such interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond shall be returned at the end of three years or prior thereto if the vessel is no longer registered in this state and the registration certificate is surrendered to the department, unless the department has been notified of the pendency of an action to recover on the bond.

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BRENT SIEGRIST  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2365, Seventy-ninth General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved April 12, 2002

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THOMAS J. VILSACK  
Governor

H.F. 2365