CHAPTER 50

ALL TERRAIN VEHICLE, OFF ROAD MOTORCYCLE, OFF ROAD UTILITY REGULATED VEHICLE, SNOWMOBILE AND VESSEL BONDING

[Prior to 12/31/86, Conservation Commission [290] Ch 50]

571—50.1(321G,321I) Definitions. For the purposes of this chapter, the following definitions shall apply:

"All-terrain vehicle" means the same as defined in Iowa Code section 321I.1.a motorized flotation-tire vehicle with not less than three and not more than six low-pressure tires that is limited in engine displacement to less than 1,000 cubic centimeters and in total dry weight to less than 1,000 pounds and that has a seat or saddle designed to be straddled by the operator and handlebars for steering control.

"Department" means the Department of Natural Resources.

"Off-road motorcycle" means the same as defined in Iowa Code section 321I.1a two-wheeled motor vehicle that has a seat or saddle designed to be straddled by the operator and handlebars for steering control and that is intended by the manufacturer for use on natural terrain. "Off-road motorcycle" includes a motorcycle that was originally issued a certificate of title and registered for highway use under Iowa Code chapter 321, but which contains design features that enable operation over natural terrain.

"Off-road utility vehicle" means the same as defined in Iowa Code section 321I.1 a motorized flotation-tire vehicle with not less than four and not more than eight low pressure tires that is limited in engine displacement to less than 1,500 cubic centimeters and in total dry weight to not more than 1,800 pounds and that has a seat that is of bucket or bench design, not intended to be straddled by the operator, and a steering wheel or control levers for control. A motorized vehicle that was previously titled or is currently titled under Iowa Code chapter 321 shall not be registered or operated as an off-road utility vehicle.

"Regulated vehicle" means all-terrain vehicles, off-road motorcycles, and off-road utility vehicles, either collectively or individually. For purposes of this chapter only, "regulated vehicle" shall also include a snowmobile.

"Snowmobile" means same as defined in Iowa Code section 321G.1.a motorized vehicle weighing less than 1,000 pounds which uses sled-type runners or skis, endless belt-type tread with a width of 48 inches or less, or any combination of runners, skis, or tread, and is designed for travel on snow or ice. "Snowmobile" does not include an all-terrain vehicle which has been altered or equipped with runners, skis, belt-type tracks, or treads.

"Vessel" means same as defined in Iowa Code section 462A.2. every description of watercraft, other than a seaplane, used or capable of being used as a means of transportation on water or ice. Ice boats are watercraft.

"Watercraft" means <u>same as defined in Iowa Code section 462A.2.any vessel which through the buoyant</u> force of water floats upon the water and is capable of carrying one or more persons. Docks, defined and regulated by 571—Chapter 16, are not watercraft.

[**ARC 8880B**, IAB 6/30/10, effective 8/4/10]

DIVISION I

ALL TERRAIN VEHICLES, OFF ROAD MOTORCYCLES, OFF ROAD UTILITY VEHICLES AND SNOWMOBILES REGULATED VEHICLES

571—50.2(321G,321I) Bond required before issuance of title or registration. An applicant for certificate of title who cannot provide the supporting documents required in rules 571-46 and 571-47 (321G and 321I) shall be required to complete the following procedures as a condition to obtaining a title and registration. If the county recorder or the department is not satisfied as to the ownership of the regulated vehicle or that there are no undisclosed security interests in the regulated vehicle, the recorder or the department shall require completion of the following procedures prior to issuing title and registration:

- **50.2(1) Procedures.** This subrule describes the procedures to be followed to obtain a certificate of title. The procedures described are in addition to the regular procedures for titling and registering a regulated vehicle.
- a. The applicant shall submit a request form to the department on a form provided by the department. The request form shall include a copy of the written proof of ownership at the time the vehicle was acquired.
- <u>b.</u> <u>Identification.</u> The applicant shall contact the department and provide identifying information in regard to the regulated vehicle. The required identifying information shall include the manufacturer identification number, registration sticker (if affixed to the regulated vehicle), <u>-photographs of the regulated vehicle which</u>

show the front, rear, and one side of the regulated vehicle. and such additional information about the regulated vehicle as may be requested by the department. If no manufacturer identification number is currently affixed to the regulated vehicle, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed before the applicant may proceed with the application process set forth in this chapter.

- **50.2(2) Records search.** The department uUpon receipt of sufficient identifying information from an applicant, the department shall:
 - a. Search the department's registration records to determine if there is an owner of record for the
 - a. regulated vehicle and if the regulated vehicle has been reported stolen or embezzled; and
- <u>b.</u> If the department finds a record of prior ownership in the department's registration records, the department shall mail the release of ownership and rights to the regulated vehicle by first-class mail to the owner of record, at the owner's last-known address. The notice shall state that the owner of record may assert the owner's right to claim the regulated vehicle.
- **50.2(3)** Letter of release. Upon receipt of the letter of release by the last registered owner or legal representative, the department may:
- a. <u>Provide approval notification to the applicant and the county recorder that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, so the regulated vehicle may be registered and titled in Iowa.</u>
- b. Notify the appropriate authorities of the owner's claim to the regulated vehicle and no further action will be completed by the department.
- 50.2(4) Letter of release. If the department receives no response from the owner of record within thirty days after the date of mailing or the post office returns the notice to the department as undeliverable, the department will continue processing the bond request.
- a. The department will determine the current retail value for the same type of regulated vehicle for which the registration is being sought with documentation from the JD Powers (formerly NADA), Kelley Blue Book or through competitive pricing found on the internet or the applicant may submit an appraisal of the regulated vehicle by a licensed regulated vehicle dealer.
- (1) If the current retail value of the regulated vehicle is \$1000 or less as determined by the department and is over 15 years old the department may allow the registration of the vehicle (check with DOT for their requirements).
- (2) If the current retail value of the regulated vehicle as determined by the department is more than \$1000, the department will notify the applicant that the following requirements are needed to proceed with the bonding process:
 - Completed registration application form(as provided by the department)
- Inspection of the regulated vehicle by a representative of the department, with signature required on the registration application form
 - Complete surety bond form (as provided by the department).
- 50.2(56) Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the regulated vehicle may be registered and titled in Iowa.
- **50.2**(76) *Disapproval.* If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the regulated vehicle, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s).

Notify the applicant, orally or in writing, in regard to whether a record of prior ownership has been located and, if so, provide the name and last known address of the owner of record.

50.2(3) Examination. At any time after being contacted by the applicant and before approval of an application, the department may examine the regulated vehicle.

50.2(4) Notice to owner of record. If the department finds a record of prior ownership in the department's registration records, the department shall provide the applicant with a bonding packet containing instructions that describe how to complete the bonding process. The packet shall include a notice to the owner of record and

a certified mail envelope, return receipt requested, with a return address of the department. The notice shall state that the owner of record may assert the owner's right to claim the regulated vehicle. If neither the applicant nor the department receives a response from the owner of record within ten days after receipt of notice or the post office returns the notice to the applicant or the department as undeliverable or unclaimed, the department will continue processing the bond application.

50.2(5) Submission of application. To register the regulated vehicle, the applicant must submit the appropriate forms and fees described in 571—Chapter 46. In addition, the application shall include a statement obtained from an Iowa registered dealer for the same type of regulated vehicle for which the value is being sought or documentation from the North American Dealers' Association indicating the current value of the regulated vehicle. In addition to the appropriate application form required under 571—Chapter 46, the following documents shall be submitted with the application form:

- a. Photographs of the regulated vehicle which show the front, rear, and one side of the regulated vehicle.
- b. The written ownership document received at the time that the regulated vehicle was acquired.
- c. Satisfactory proof of the regulated vehicle identification number or DNR Form 542-8065. Examples of what constitutes satisfactory proof include, without limitation, corresponding photographs of the vehicle identification number and the vehicle or a readable pencil rubbing of the vehicle identification number.
- d. The undeliverable or unclaimed certified letter and envelope addressed to the previous owner or the signed certified mail receipt, if available, if a record of prior ownership was located by the department.
- e. A surety bond on DNR Form 542-8092 in an amount equal to one and one-half times the current value of the regulated vehicle, if required.

50.2(6) Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the regulated vehicle may be registered and titled in Iowa.

50.2(7) Disapproval. If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the regulated vehicle, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s).

[ARC 8880B, IAB 6/30/10, effective 8/4/10]

571—50.3 to 50.9 Reserved.

DIVISION II VESSELS

571—50.10(462A) 571—50.10(462A) Bond required before issuance of title or registration. An applicant for certificate of title who cannot provide the supporting documents required in rules 571-46 and 571-47 (321G and 321I) shall be required to complete the following procedures as a condition to obtaining a title and registration.

50.10(1) Procedures. This subrule describes the procedures to be followed to obtain a certificate of title. The procedures described are in addition to the regular procedures for titling and registering a regulated vehicle.

- a. The applicant shall submit a request form to the department on a form provided by the department. The request form shall include a copy of the written proof of ownership at the time the vehicle was acquired.
- c. The applicant shall contact the department and provide identifying information in regard to the regulated vehicle. The required identifying information shall include the manufacturer identification number, registration sticker (if affixed to the regulated vehicle), photographs of the regulated vehicle which show the front, rear, and one side of the regulated vehicle and additional information about the regulated vehicle as may be requested by the department. If no manufacturer identification number is currently affixed to the regulated vehicle, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed before the applicant may proceed with the application process set forth in this chapter.

50.10(2) Records search. The department upon receipt of sufficient identifying information from an applicant shall:

- b. Search the department's registration records to determine if there is an owner of record for the regulated vehicle and if the regulated vehicle has been reported stolen or embezzled;
- <u>b.</u> If the department finds a record of prior ownership in the department's registration records, the department shall mail the release of ownership and rights to the regulated vehicle by first-class mail to the owner of record, at the owner's last-known address. The notice shall state that the owner of record may assert the owner's right to claim the regulated vehicle.
- **50.10(3)** Letter of release. Upon receipt of the letter of release by the last registered owner or legal representative, the department may:
- a. Provide approval notification to the applicant and the county recorder that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, so the regulated vehicle may be registered and titled in Iowa.
- <u>b.</u> Notify the appropriate authorities of the owner's claim to the regulated vehicle and no further action will be completed by the department.
- 50.10(4) Letter of release. If the department receives no response from the owner of record within thirty days after the date of mailing or the post office returns the notice to the department as undeliverable, the department will continue processing the bond request.
- a. The department will determine the current retail value for the same type of regulated vehicle for which the registration is being sought with documentation from the JD Powers (formerly NADA), Kelley Blue Book or through competitive pricing found on the internet or the applicant may submit an appraisal of the regulated vehicle by a licensed regulated vehicle dealer.
- (1) If the current retail value of the regulated vehicle is \$1000 or less as determined by the department and is over 15 years old the department may allow the registration of the vehicle (check with DOT for their requirements).
- (2) If the current retail value of the regulated vehicle as determined by the department is more than \$1000, the department will notify the applicant that the following requirements are needed to proceed with the bonding process:
 - Completed registration application form(as provided by the department)
- Inspection of the regulated vehicle by a representative of the department, with signature required on the registration application form
 - Complete surety bond form (as provided by the department).
- **50.10(5)** Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the regulated vehicle may be registered and titled in Iowa.
- 50.10(6) Disapproval. If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the regulated vehicle, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s). Bond required before issuance of title or registration. In the event the county recorder or the department is not satisfied as to the ownership of a vessel or that there are no undisclosed security interests in the vessel, the recorder or the department shall require completion of the following procedures prior to issuing title or registration:
- **50.10(1)** *Identification.* The applicant shall contact the department and provide the department with identifying information in regard to the vessel. The required identifying information shall include the hull identification number, if applicable, and such additional information as may be requested by the department. If no hull identification number is currently affixed on a vessel otherwise required by law to have a hull identification number, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed after the applicant has completed the registration and bonding process set forth in this chapter.
- **50.10(2)** Records search. Upon receipt of sufficient identifying information from an applicant, the department shall:
- a. Search the department registration records to determine if there is an owner of record for the vessel and if the vessel has been reported stolen; and

b. Notify the applicant, orally or in writing, in regard to whether a record of prior ownership has been located and, if so, provide the name and last known address of the owner of record.

50.10(3) Examination. At any time after being contacted by the applicant and before approval of an application, the department may examine the vessel.

50.10(4) *Notice to owner of record.* If the department finds a record of prior ownership in the department's registration records, the department shall provide the applicant with a bonding packet containing instructions that describe how to complete the bonding process. The packet shall include a notice to the owner of record and a certified mail envelope, return receipt requested, with a return address of the department. The notice shall state that the owner of record may assert the owner's right to claim the vessel. If neither the applicant nor the department receives a response from the owner of record within ten days after receipt of notice or the post office returns the notice to the applicant or the department as undeliverable or unclaimed, the department will continue processing the bond application.

50.10(5) Submission of application. The applicant shall submit an application on DNR Form 542-8067. The form shall include a statement obtained from an Iowa registered dealer for vessels or documentation from the North American Dealers' Association ID Powers (formerly NADA), or through competitive pricing found on the internet indicating the current value of the vessel. The following documents shall be submitted with the application form:

- a. Photographs of the vessel which show the front, rear, and one side of the vessel.
- b. The written ownership document received at the time that the vessel was acquired.
- c. Satisfactory proof of the hull identification number or DNR Form 542-2000. Examples of what constitutes satisfactory proof include, without limitation, corresponding photographs of the hull identification number and the vessel or a readable pencil rubbing of the hull identification number.
- d. The undeliverable or unclaimed certified letter and envelope addressed to the previous owner or the signed certified mail receipt, if available, if a record of prior ownership was located by the department.
- e. A surety bond on DNR Form 542-8092 in an amount equal to one and one-half times the current value of the vessel.

50.10(6) Approval. If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the vessel may be registered and titled in Iowa.

50.10(7) *Disapproval.* If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the vessel, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s). [ARC 8880B, IAB 6/30/10, effective 8/4/10]

These rules are intended to implement Iowa Code sections 321G.21, 321G.29, 321I.22, 321I.31 and 462A.5A.

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