

## HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	Senate File 492	House Committee:	<b>PASSED 21-0 (2/4/26)</b>
Committee:	Transportation	House Floor:	
Floor Manager:	Rep. Jacob Bossman	Senate Floor:	<b>PASSED 49-0 (3/24/25)</b>
Date:	March 30, 2026	Governor:	
Staff:	Brad Trow (1-3471)		

### Requiring Vehicle Recyclers to Verify Lien Status of Certain Vehicles

When a person or business buys a vehicle for scrap or junk, they are required to surrender the title certificate to the county treasurer and apply for a junking certificate. If the vehicle is 12 or more model years old and being sold to a vehicle recycler for less than \$1000, then surrendering the title or the junking certificate is not required by law.

Senate File 492 would require a vehicle recycler acquiring a vehicle which is 12 or more model years old and valued at less than \$1000 to check the state's record system to verify there are no lienholders with security interests in the vehicle. If the vehicle recycler is acquiring a vehicle meeting these conditions from a scrap metal dealer, then they do not have to check on the lien status of the vehicle.

---

### Section by Section Analysis

Section 1 – [Iowa Code section 321.52 (2) (b)]: Section 1 of the bill adds language that would require a vehicle recycler acquiring a vehicle 12 or more model years old and valued at less than \$1000 to check the state's record system to verify that there are no lienholders with security interests in the vehicle. The new language also provides that if the vehicle recycler is acquiring a vehicle meeting these conditions from a scrap metal dealer, then they do not have to check on the lien status of the vehicle.