

DISPOSING OF ABANDONED VEHICLES

INFORMATION* FOR A PRIVATE ENTITY CONDUCTING ABANDONED VEHICLE OPERATIONS INITIATED BY A POLICE AUTHORITY

PRIVATE ENTITY

- You are considered a “private entity” under Iowa’s abandoned vehicle law if your business is a tow company, parking place, motor vehicle storage facility, or auto service shop.
- A private entity that takes custody of an abandoned vehicle shall display at the entity’s place of business the daily storage and impounded fees the entity will charge.
- When a private entity ceases a tow after attaching towing equipment to an abandoned vehicle and releases the vehicle from the location where the vehicle was abandoned, the private entity shall accept payment by credit card, in addition to other forms of payment, for any fee charged to release the vehicle.

POLICE AUTHORITY

For abandoned vehicle operations, “police authority” refers to the state patrol, any law enforcement agency of a county or city, or any special security officer employed by the state board of regents. It does not include any other agencies, like the DOT Motor Vehicle Enforcement or the DNR.

ABANDONED VEHICLE PROCESS INITIATED BY POLICE AUTHORITY

A police authority may hire your company as a private entity to handle the abandoned vehicle process from start to finish. This means your company will not only tow and store the vehicle, but also notify the customer according to state law.

NOTIFICATION

If your company is hired by a police authority, the police authority must provide you with the name and address of the registered owners, lienholders, and any claimants with an interest in the vehicle on page one of **DOT Form 411163** *Certificate of Disposal of an Abandoned Vehicle When Initiated by a Police Authority*.

You must send a notification by certified mail to all owners/claimants within 10 days of towing the vehicle. The notice is considered effective on the date it is mailed. The notification must include the following:

1. The year, make, model, and VIN of the vehicle.
2. Location where the vehicle is being held.
3. A statement of the owner/claimants’ right to reclaim the vehicle within 20 days after the effective date of the notice, and after all towing, preservation, storage, and notice costs have been paid.
4. A statement that the failure of the owner/claimants to exercise their right to reclaim the vehicle within the time provided shall be deemed a waiver by the owner/claimants of all right, title, claim, and interest in the vehicle, and is deemed consent to the sale of the vehicle at a public auction or disposal of the vehicle to a demolisher and to disposal of personal property by sale or destruction.
5. A statement that anyone claiming possession of the vehicle, who disputes the planned disposal of the vehicle or assessment of fees and charges provided by this section, may ask for an evidentiary hearing before the police authority to challenge those matters.

ABANDONED VEHICLES IN CUSTODY

A lienholder of record who received notice may request information regarding the condition of the abandoned vehicle. A private entity with custody of an abandoned vehicle may charge the lienholder of record an inspection fee not to exceed \$100. If such request is made and when the fee is paid, the private entity shall satisfy the request by either allowing a representative of the lienholder of record onto the premises to inspect the vehicle or by sending photos that sufficiently depict the condition of the vehicle so the lienholder can ascertain the condition of the vehicle.

A registered owner may reclaim personal property that is not attached to the vehicle on one occasion during the 20-day vehicle reclamation

* This administrative information does not supersede Iowa Code or Iowa Administrative Code, nor should it be used in place of any legal counsel. This guidance does not provide the processes in detail. For details, refer to IA Code 321.89, 321.90 and IA Admin Code 761.480.

period. The registered owner shall provide the private entity a written list identifying the personal property to be reclaimed from inside the vehicle. Reclaiming personal property shall occur during normal business hours. Reclaiming personal property from the vehicle does not constitute reclaiming the vehicle.

RECLAIMING THE ABANDONED VEHICLE

When the registered owner arrives to reclaim the vehicle, the private entity shall provide an itemized account of all fees assessed to the registered owner. The registered owner is required to present, as applicable, a valid driver's license and proof of financial liability coverage (insurance, bond, etc.), which may be in the vehicle.

ABANDONED VEHICLE DISPOSAL OPTIONS

If an abandoned vehicle has not been reclaimed within 20 days of notice, your company may sell the vehicle at public auction or transfer the vehicle directly to a demolisher.

By signing on page two of **Form 411163**, you are certifying that your portion of requirements of the abandoned vehicle process have been completed according to law. You are required to maintain records for three years for all vehicles sold or transferred to a demolisher through the abandoned vehicle process.

OPTION 1: Sell the Vehicle at a Public Auction

- This is recommended to recoup your expenses from conducting the AV process.
- Determine if the vehicle will be sold for use on the highways or sold only for junk.
- Advertise a public auction at least seven days in advance of the sale within the county where the auction will take place or where the vehicle is physically located.
 - At a minimum, you must publish an ad in a newspaper in general circulation in the area. The newspaper must have a list of subscribers and devote at least 25 percent of total column space to information other than advertising.
- You are required to keep a bidder registry that has the bidder's full name, address, and phone number, the date and location of the auction, and the auctioned vehicle's make, model, and VIN.
- The initial bid does not have to be at fair market value and may be set at an amount that equals the actual cost of storage and towing. This provision is intended to help recover expenses.
- Provide the buyer with page two of **Form 411163** with **Section B - Abandoned Vehicle Sales Receipt** complete. Page one does not go to the buyer, but you will need to keep a copy of the form for your records.
- Provide an odometer disclosure statement when required (model year 2011 and newer). The odometer statement will reflect the odometer reading at the time of sale and will be marked indicating "odometer discrepancy," certifying the odometer mileage reading is not the actual mileage.
- You do not need to provide a damage disclosure statement for vehicles sold through the abandoned vehicle process.
- It is recommended that you inform purchasers of abandoned vehicles of the fees they will pay to title and register the vehicle.
 - For vehicles sold on the police entity bill of sale (**Form 411163**), the buyer's registration fee will be collected for the balance of the registration year based on the month of sale as shown on the sales receipt.
- If you are unable to recoup your expenses during a public auction, you should make a second attempt. If you still cannot make a satisfactory sale after two public auctions, you must sell or dispose of the vehicle to a demolisher for junk.

OPTION 2: Transfer the Vehicle Directly to a Demolisher

- You may dispose of the vehicle to a licensed demolisher for junk without public auction.
- Provide the demolisher with page two of **Form 411163** with **Section C - Authority to Transfer and/or Demolish a Vehicle** completed with the first block checked. Page one does not go to the buyer/demolisher, but you will need to keep a copy of the form for your records.
- The demolisher will only be able to obtain a junking certificate by giving page two of **Form 411163** to the county treasurer and applying for a junking certificate within 30 days of the form date.

REIMBURSEMENT

If you are hired by a police authority to process an abandoned vehicle, you may request reimbursement of expenses that are more than the proceeds of the sale of the vehicle. To request reimbursement, submit [DOT Form 411090 Abandoned Vehicle Report](#) to the Motor Vehicle Division at the Iowa DOT at central.vehicle@iowadot.us. Instructions are included on the form.