



## Motor Vehicle Division Informational Memo # 20-07

### *Termination of COVID-19 Proclamation of Disaster Emergency-Effect on Vehicle Transactions*

**DATE:** June 26, 2020

**FROM:** Angel Robinson, Director, VMCS

**TO:** All Vehicle & Motor Carrier Services staff and Iowa County Treasurers and County Treasurer staff

#### **SUBJECT**

This informational memo explains the latest deadlines and application of penalties for customers based on the termination of Governor Kim Reynolds's March 16 Proclamation on July 25, 2020 at 11:59 p.m.

The proclamation suspended the following:

- 30-day deadline to apply for new registration and certificate of title under Iowa Code 321.46.
- 45-day deadline to acquire registration plates after the date of delivery of the vehicle to the purchaser from a dealer.
- Expiration dates for registration renewals for certain customers.

This memo was originally issued May 8, 2020 and was revised May 12, 2020 to correct and clarify certain information. This memo was revised on May 26, 2020 to update information to implement the Governor's May 26 Proclamation. This memo was revised on June 25, 2020 to update information to implement the Governor's June 25 Proclamation. This memo was revised on September 1 to update information on ARTS programming and clarify penalty months. **Please note that the Governor's June 25 Proclamation states for these suspensions that "Iowans should not expect this suspension to be extended beyond July 25, 2020."**

#### **SUMMARY**

On March 17, Governor Reynolds issued a Proclamation of Disaster Emergency throughout the entire State of Iowa for Novel Coronavirus 2019 (COVID-19). This Proclamation had an effective date of March 16 and was extended on April 20, April 27, May 26, and June 25. The Proclamation will terminate at 11:59 p.m. on July 25, 2020, unless further extended.

In response to questions we have received from both counties and customers, we are issuing this informational memo detailing how the proclamation and subsequent extensions will affect certain transactions that occur on and after the end date of the proclamation, namely, new registration and certificate of title transactions, acquiring registration plates, and registration renewals.

**The guidance in this memo is effective June 26, 2020.**

#### **HELPFUL QUESTIONS AND ANSWERS**

The following questions and answers will provide additional clarification for staff and customers.

## **HOW DID THE GOVERNOR'S MARCH 16 PROCLAMATION AFFECT NEW TITLE AND REGISTRATION TRANSACTIONS?**

The Governor's Proclamation and subsequent extensions suspended part of Iowa Code § 321.46, which states "The transferee shall, within thirty calendar days after purchase or transfer, apply for and obtain from the county treasurer of the person's residence...a new registration and a new certificate of title." Therefore, the Governor's Proclamation paused the 30-day deadline for certain customers for the duration of the Proclamation and subsequent extensions. This means that ARTS will show that certain customers have exceeded the 30-day period and calculate title and registration penalties for those customers where the penalties should be waived.

## **WHICH CUSTOMERS ARE AFFECTED BY THE SUSPENSION OF NEW TITLE AND REGISTRATION TRANSACTIONS AND HOW ARE THEY AFFECTED?**

Customers who purchased vehicles between February 13 and July 25 will have the title and registration penalties waived depending on the purchase date of the vehicle and the transaction date to pay title and registration. Included in Appendix A is a chart that addresses each of these customers.

The following is an example using Appendix A for a customer who purchased a vehicle on February 20:

- Column 1 shows the purchase date of February 20.
- Column 2 shows how many days the customer already had to title and register the vehicle prior to the Governor's suspension of Iowa Code § 321.46. This customer had 25 days.
- Column 3 shows the last day the customer may title and register without penalty. This customer has until July 31.
- Column 4 shows the first date that the penalty can no longer be waived for a customer. This customer can no longer have the penalty waived as of August 1.

Please note that the chart in Appendix A has included the Iowa County Treasurers Manual guidance on computing time. As stated in section 10, the first day is excluded and the last day is included for purposes of computing the 30-day period from the date of assignment of title. As an example, a person who purchases a vehicle on February 14 has February 14 excluded from the date computation. February 15 is the first day used to calculate the 30-day period, and 30 days from February 15 is March 16, the first day of the Governor's proclamation. Therefore, this customer has day 30 remaining to title and register the vehicle.

Counties should not adjust the date of having received the title and registration application. For example, a customer with a March birth month who submits the title and registration application in May should not have the application backdated to March to receive the birth month registration opportunity.

## **WHICH CUSTOMERS ARE NOT AFFECTED BY THE SUSPENSION FOR NEW TITLE AND REGISTRATION TRANSACTIONS?**

A customer who purchased a vehicle on or before February 12 or on or after July 26 will not have the title and registration penalties waived. Appendix A includes these customers and identifies that they will not receive the penalty waiver. A customer who purchased a vehicle on or before February

12 does not qualify for the penalty waiver because the 30-day deadline for this customer expired prior to the Governor's Proclamation or any extension. This customer will pay the title and registration penalties.

A customer who purchased a vehicle on or after July 26 will not qualify for the penalty waiver because the Governor's Proclamation expires at 11:59 p.m. on July 25. Iowa Code § 321.46 will operate as normal for transactions after that date. If a customer does not acquire new title and registration within the normal 30-day period, the customer will pay the title and registration penalties.

#### **HOW WILL THIS SUSPENSION IMPACT COUNTIES?**

Counties will see customers seeking to complete new title and registration transactions for whom ARTS has calculated the title and registration penalties. For qualifying customers, the counties should waive the penalties. Counties should use Appendix A to determine if a customer qualifies for the title and registration penalty waiver.

#### **HOW WILL THIS SUSPENSION IMPACT ARTS?**

No programming is anticipated in ARTS to address this suspension. The latest a customer would qualify for a title and registration penalty waiver is August 24. Any design or testing to ARTS to change programming would exceed that date. Therefore, ARTS will continue to calculate the title and registration penalties for all customers who exceed the 30-day period. Any waiver will need to be manually changed. A county may adjust this fee under fee detail in the transaction, with COVID19 as the option for an adjustment reason.

#### **HOW WILL THIS SUSPENSION IMPACT VEHICLE DEALERS?**

Dealers will be responsible for submitting the title and registration transaction within the deadlines identified in Appendix A or will be assessed the title and registration penalties on the transaction.

#### **HOW DID THE GOVERNOR'S MARCH 16 PROCLAMATION AFFECT THE 45-DAY DEADLINE TO ACQUIRE REGISTRATION PLATES AFTER THE DATE OF DELIVERY OF THE VEHICLE TO THE PURCHASER FROM A DEALER?**

The Governor's March 16 Proclamation and subsequent extensions suspended part of Iowa Code § 321.25, which states "A vehicle may be operated upon the highways of this state without registration plates for a period of forty-five days after the date of delivery of the vehicle to the purchaser from a dealer if a card bearing the words 'registration applied for' is attached on the rear of the vehicle." Therefore, the Governor's Proclamation paused the 45-day deadline for certain customers for the duration of the Proclamation and subsequent extensions. This means that certain customers will have an extended period of time before Iowa Code § 321.25 can be enforced against them.

#### **WHICH CUSTOMERS ARE AFFECTED BY THE 45-DAY SUSPENSION AND HOW ARE THEY AFFECTED?**

Customers who purchased vehicles between January 31 and July 25 will have an extended period of time to acquire registration plates after the date of delivery of the vehicle. The expiration date will vary depending on the purchase date of the vehicle. Appendix B shows the scenarios with these

customers. If stopped by law enforcement, these customers may show that their 45 days to acquire plates was suspended by the Governor's Proclamation.

The following is an example using Appendix B for a customer who purchased a vehicle on February 18.

- Column 1 shows the purchase date of February 18.
- Column 2 shows how many days the customer already had to title and register the vehicle prior to the suspension of Iowa Code § 321.25. This customer had 27 days.
- Column 3 shows the last day the customer may acquire plates without enforcement action. This customer has until August 12 to acquire plates.
- Column 4 shows the first date a customer is subject to enforcement action under Iowa Code § 321.25. This customer is subject to enforcement action on August 13.

#### **WHICH CUSTOMERS ARE NOT AFFECTED BY THE 45-DAY SUSPENSION?**

Customers who purchased a vehicle on or before January 30 are not affected under this provision of the Governor's Proclamation. This is because the 45-day deadline for these customers expired prior to the Governor's Proclamation or any extension. These customers will face enforcement as normal.

Customers who purchased a vehicle on or after July 26 are not affected under this provision of the Governor's Proclamation. This is because the Governor's Proclamation expires at 11:59 p.m. on July 25 and Iowa Code § 321.25 will operate as normal for transactions after that date.

#### **WHAT IS THE PENALTY TO A CUSTOMER IF FOUND IN VIOLATION OF IOWA CODE § 321.25?**

Under Iowa Code § 321.98, a customer who operates a vehicle without valid registration plates is guilty of a simple misdemeanor punishable as a scheduled violation. The exception is Iowa Code § 321.25, which allows the customer 45 days to acquire registration plates after the date of delivery of the vehicle. The Governor's Proclamation gives certain customers additional time to acquire the registration plates. If the Governor's Proclamation does not apply to a customer, or the customer exceeds the additional time provided, enforcement action may be taken against the customer.

#### **HOW WILL THIS SUSPENSION IMPACT COUNTIES?**

Counties should continue to encourage customers to attach their registration plates as soon as they are able. Counties should continue to educate customers of the additional time to receive the registration plates before enforcement action can be taken.

#### **HOW WILL THIS SUSPENSION IMPACT ARTS?**

No programming is anticipated in ARTS to address this suspension.

#### **HOW WILL THIS SUSPENSION IMPACT VEHICLE DEALERS?**

Dealers will continue to be responsible for submitting the title and registration transaction in a timely manner so that a customer is not negatively affected by the 45-day deadline or any extension of the deadline. Dealers remain subject to Iowa Code 321.70 for a vehicle that is delinquent at the time of acquisition.

### **HOW WILL THIS SUSPENSION IMPACT LAW ENFORCEMENT?**

Law enforcement is responsible for enforcing Iowa Code § 321.25 against any person who does not have the registration plate within the 45-day period. We will provide the chart in Appendix B to our law enforcement partners but otherwise defer to law enforcement on enforcement of this provision in light of the Governor's suspension.

### **HOW WILL THE GOVERNOR'S MARCH 16 PROCLAMATION AFFECT REGISTRATION RENEWAL TRANSACTIONS?**

The Governor's March 16 Proclamation and subsequent extensions suspended Iowa Code § 321.39, which states in relevant part "...every vehicle registration, registration card, and registration plate shall expire as follows: 1. For vehicles registered by the county treasurer, at midnight on the last day of the registration year. A person shall not be considered to be driving a motor vehicle with an expired registration for a period of one month following the expiration date of the vehicle registration."

This suspension applies to all customers whose registration renewals expired 60 days prior to the Proclamation and who expired during the Proclamation or any extensions. Therefore, the Governor's Proclamation paused the registration expiration and renewal period for certain customers for the duration of the Proclamation and subsequent extensions. This means that certain customers will have an extended period of time to renew their registration before penalties are imposed.

### **WHICH CUSTOMERS ARE AFFECTED BY THE SUSPENSION OF REGISTRATION RENEWALS AND HOW ARE THEY AFFECTED?**

Customers with registration expiration dates of January 31, February 29, March 31, April 30, May 31, and June 30 are affected by this suspension. These customers will have an expiration date of July 31 and a grace period for the month of August. If a customer does not pay by or on August 31, the customer will pay the August penalty. The legal effect of the Governor's Proclamation is that these customers will never have to pay past penalties for February, March, April, May, June, or July.

The following is an example using Appendix C for a customer with a registration renewal date of April 30.

- Column 1 shows a registration expiration date of April 30, 2020.
- Column 2 shows whether a January penalty applies. Because the registration expiration date is after January, this column does not apply.
- Column 3 shows whether, if the customer renews on or after September 1, the customer should pay penalties for February, March, April, May, June, and July. The answer is no. Because of the Governor's proclamation, these penalties are waived.
- Column 4 shows whether, if the customer renews on or after September 1, the customer should pay the penalty for August. The answer is yes. Because the Governor's proclamation expires July 25, this customer has a grace period for the month of August to pay. But this customer did not pay by August 31, and therefore will be assessed the August penalty.

**IF THE CUSTOMERS AFFECTED BY THE SUSPENSION OF REGISTRATION RENEWALS ALSO HAVE PERSONALIZED PLATES TO RENEW, WILL THE CUSTOMERS HAVE TO PAY THE RE-ISSUANCE FEE FOR THE PERSONALIZED PLATE?**

No, a customer who qualifies for the suspension of registration renewals will not owe the re-issuance fee. Iowa Administrative Code 761-401.2(3) states that a new application and a new issuance fee is required if a renewal is delinquent for more than one month.

ARTS will identify these customers as having a delinquent renewal. But these customers are not delinquent under the Governor's Proclamation. The customer should be charged a special plate renewal fee but should not be charged a special plate reissue fee.

Counties should refer to the email sent from Sharon Gonzalez, ISCTA President, to all counties on Friday May 1, 2020 with further instructions on how to process this situation in ARTS.

**WHICH CUSTOMERS ARE NOT AFFECTED BY THE SUSPENSION OF REGISTRATION RENEWALS?**

Customers with a renewal date of December 31 are not entitled to a registration penalty waiver under the Governor's Proclamation because the registration expired prior to the Governor's Proclamation or any extension. These customers will accrue penalties as normal.

Customers with a renewal date of July 31 will not be entitled to a registration penalty waiver under the Governor's Proclamation. This is because the Governor's Proclamation expires on July 25 and Iowa Code § 321.39 will operate as normal after that date.

**HOW WILL THIS SUSPENSION IMPACT COUNTIES?**

We have worked with Iowa Tax & Tags and GovTech to calculate registration penalty waivers for these customers. Counties should continue to encourage customers to pay registration as soon as they are able. Counties should also continue to educate customers on their deadlines to pay without penalties or if customers are not entitled to the registration penalty waiver. Please refer to Appendix C to determine this information.

**HOW WILL THIS SUSPENSION IMPACT ARTS?**

We have added programming in ARTS to permanently waive the monthly registration fee penalties for February, March, April, May, June, and July 2020 for eligible vehicles, as those waivers will exist in perpetuity.

**WHO WILL BE THE BEST CONTACT PERSON REGARDING QUESTIONS?**

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**APPENDIX A: Deadline for County-Registered and Titled Vehicles to Apply for  
Title and Registration and Applicable Penalties**

<b>Vehicle Purchase Date</b>	<b>Day of cycle on March 16 (this day is repeated on July 26, which shifts to July 27 because of the weekend)</b>	<b>Last Day to Title and Register Without Penalty</b>	<b>Date the County Can No Longer Waive Title and Registration Penalty</b>
On or before February 12	At least 30 days have passed	0	Immediately
February 13	30	July 27 (weekend)	July 28 (weekend)
February 14	30	July 27 (weekend)	July 28 (weekend)
February 15	30	July 27 (weekend)	July 28 (weekend)
February 16	29	July 27	July 28
February 17	28	July 28	July 29
February 18	27	July 29	July 30
February 19	26	July 30	July 31
February 20	25	July 31	August 1
February 21	24	August 3 (weekend)	August 4 (weekend)
February 22	23	August 3 (weekend)	August 4 (weekend)
February 23	22	August 3	August 4
February 24	21	August 4	August 5
February 25	20	August 5	August 6
February 26	19	August 6	August 7
February 27	18	August 7	August 8
February 28	17	August 10 (weekend)	August 11 (weekend)
February 29	16	August 10 (weekend)	August 11 (weekend)
March 1	15	August 10	August 11
March 2	14	August 11	August 12
March 3	13	August 12	August 13
March 4	12	August 13	August 14
March 5	11	August 14	August 15
March 6	10	August 17 (weekend)	August 18 (weekend)
March 7	9	August 17 (weekend)	August 18 (weekend)
March 8	8	August 17	August 18
March 9	7	August 18	August 19
March 10	6	August 19	August 20
March 11	5	August 20	August 21
March 12	4	August 21	August 22

March 13	3	August 24 (weekend)	August 25 (weekend)
March 14	2	August 24 (weekend)	August 25 (weekend)
March 15-July 25	1	August 24	August 25
July 26 to present	0	Standard 30-day requirement	Standard 30-day requirement



**APPENDIX B: Expiration Date for Temporary Plates Based on Governor Proclamation**

<b>Vehicle Purchase Date</b>	<b>Day of cycle on March 16 (this day is repeated on July 26)</b>	<b>Last day to acquire plates without enforcement action</b>	<b>First Enforcement Date</b>
On or before January 30	Suspension does not apply- enforcement action is proper	Suspension does not apply- enforcement action is proper	Suspension does not apply- enforcement action is proper
January 31	45	July 25	July 26
February 1	44	July 26	July 27
February 2	43	July 27	July 28
February 3	42	July 28	July 29
February 4	41	July 29	July 30
February 5	40	July 30	July 31
February 6	39	July 31	August 1
February 7	38	August 1	August 2
February 8	37	August 2	August 3
February 9	36	August 3	August 4
February 10	35	August 4	August 5
February 11	34	August 5	August 6
February 12	33	August 6	August 7
February 13	32	August 7	August 8
February 14	31	August 8	August 9
February 15	30	August 9	August 10
February 16	29	August 10	August 11
February 17	28	August 11	August 12
February 18	27	August 12	August 13
February 19	26	August 13	August 14
February 20	25	August 14	August 15
February 21	24	August 15	August 16
February 22	23	August 16	August 17
February 23	22	August 17	August 18
February 24	21	August 18	August 19
February 25	20	August 19	August 20
February 26	19	August 20	August 21
February 27	18	August 21	August 22
February 28	17	August 22	August 23
February 29	16	August 23	August 24

March 1	15	August 24	August 25
March 2	14	August 25	August 26
March 3	13	August 26	August 27
March 4	12	August 27	August 28
March 5	11	August 28	August 29
March 6	10	August 29	August 30
March 7	9	August 30	August 31
March 8	8	August 31	September 1
March 9	7	September 1	September 2
March 10	6	September 2	September 3
March 11	5	September 3	September 4
March 12	4	September 4	September 5
March 13	3	September 5	September 6
March 14	2	September 6	September 7
March 15	1	September 7	September 8
March 16- July 25	0	September 8	September 9
July 26- present	0	Standard 45-day deadline	Standard 45-day deadline

## APPENDIX C: Registration Renewal Deadline Based on Governor’s Proclamation

Registration Expiration Date	Should the customer pay the January penalty?	If customer renews on or after September 1, should the customer pay the Feb-Mar-Apr-May-June-July penalties?	If customer renews on or after September 1, should the customer pay the August penalty?
December 31, 2019	Yes	Yes, standard penalties apply	Yes, standard penalties apply
January 31, 2020	NA	No	Yes
February 29, 2020	NA	No	Yes
March 31, 2020	NA	No	Yes
April 30, 2020	NA	No	Yes
May 31, 2020	NA	No	Yes
June 30, 2020	NA	No	Yes
July 31, 2020	NA	No	Yes
August 31, 2020	NA	NA	Standard penalties apply