

Motor Vehicle Division Informational Memo # 21-31

Odometer Disclosure Administrative Rule Updates

DATE: September 13, 2021

FROM: MVD Policy & Compliance Team

TO: All Motor Vehicle Division staff, Iowa County Treasurers and County Treasurer's staff

SUBJECT

This informational memo explains an update to administrative rule chapter 761—400, Vehicle Registration and Title and is most applicable to staff involved with accepting odometer disclosure statements.

SUMMARY

The rule amendments conform administrative rule 761 IAC 400.52(3) with changes made to federal regulation 49 CFR § 580.17 and Iowa Code section 321.71 related to odometer disclosure statements. Federal and Iowa law require odometer disclosure upon transfer of a vehicle to prevent odometer fraud and ensure that all parties are aware of the mileage on a vehicle. Prior to January 1, 2021, a vehicle seller was required to disclose the odometer mileage for any vehicle that was less than 10 model years old when transferring the vehicle. However, federal regulations as adopted in Iowa Code section 321.71 as of January 1, 2021 require odometer disclosure statements for the transfer of a vehicle that is less than 20 model years old, beginning with vehicles from the 2011 model year.

This requirement put into place the following scenarios:

1. For a vehicle transfer that occurs through December 31, 2030, any vehicle of model year 2011 or newer (2012, 2013, etc.) will require odometer disclosure.
2. For a vehicle transfer that occurs on or after January 1, 2031, any vehicle that is less than 20 model years old will require odometer disclosure. The model year formula for odometer statements will be the current year minus twenty. For example, if the calendar year is 2033 and the car model year is 2013, the car is 20 model years old and therefore is not subject to odometer disclosure.

The administrative rule amendments are effective September 15, 2021.

LINK TO ADMINISTRATIVE RULES

<https://www.legis.iowa.gov/docs/aco/arc/5829C.pdf>

CURRENT

Administrative rule chapter 761—400 used to require the vehicle seller to disclose the odometer mileage for any vehicle that was less than 10 model years old when transferring the vehicle.

You may wish to review the previous policy memo (PM 19-10) we issued when the federal regulations and 2020 legislation regarding odometer disclosure requirements became effective for more information about the background of the change.

For internal DOT employees, you may find PM 19-10 in the W drive at the address below:

W:\MotorVehicle\Policy & Communications\Memorandums\Memos\Policy Memos

For County Treasurers and staff, you may find PM 19-10 at the link to the county treasurer's manual below:

<https://iowadot.gov/mvd/ctmanual/memos/PM19-10.pdf>

NEW

As of September 15, 2021, the rules will now align with federal and state law changes implemented January 1, 2021 requiring odometer disclosure statements for the transfer of a vehicle that is less than 20 model years old, beginning with vehicles from the 2011 model year.

BUSINESS IMPACT

This directive does not pose a significant impact because we already implemented the new odometer disclosure requirements when the legislation became effective on January 1, 2021.