

Motor Vehicle Division Informational Memo # 22-04

Contiguous County Titling Under Iowa Code 321.20(4)

DATE: February 21, 2022

FROM: Kelli Huser, Compliance Officer, Motor Vehicle Division

TO: All Motor Vehicle Division staff, Iowa County Treasurers, County Treasurer's staff, the Iowa Automobile Dealer's Association, the Iowa Independent Automobile Dealer's Association

SUBJECT

This informational memo explains the Iowa DOT's implementation of Iowa Code 321.20(4). This code section allows an owner of a vehicle subject to registration to apply for certain title and registration transactions to a county contiguous to the county of residence.

SUMMARY

In 2016, the Iowa legislature amended Iowa Code 321.20 to require the Iowa DOT to develop and implement a program to allow for electronic applications, titling, registering, and funds transfers for certain transactions (Electronic Registration and Titling or "ERT"). If ERT was not implemented by July 1, 2019, the legislation included that an owner of a vehicle subject to registration could then apply to the county treasurer of a county contiguous to the county designated for the owner for title and registration transactions ("Contiguous County Titling").

The Iowa DOT is implementing Contiguous County Titling with a start date of February 24, 2022. This memo explains the new process and addresses common questions. For readability and clarity, we have included three appendices to this memo with questions and answers divided into the following categories:

- Appendix A: County Processing Questions
- Appendix B: Forms and ARTS Questions
- Appendix C: ERT and Vehicle Dealer Questions

CURRENT

For title and registration transactions, an applicant must apply to the county of residence of the owner, lessee, or primary user for processing under Iowa Code 321.20.

NEW

An applicant may still apply to the county of residence but may also apply to the county treasurer of a county contiguous to the county of residence.

BUSINESS IMPACT

Contiguous County Titling requires form changes and IT programming. Since June 2020, the Iowa DOT has worked with a small group of stakeholders representing the county treasurers, the Iowa Department of Revenue, the Iowa Automobile Dealer's Association (IADA), and Iowa Independent Automobile Dealer's Association (IIADA) to identify how best to address the business impacts of this change.

TERMINOLOGY

This memo uses certain terminology that may not be familiar. Definitions of this terminology are included below.

Contiguous County: a contiguous county is defined as any county in Iowa that directly borders an adjacent Iowa county, including sharing a common corner or corners. This definition will be added to the Iowa Administrative Code.

Contiguous County Titling: the legislative initiative created under Iowa Code 321.20(4) that requires the Iowa DOT to implement programming and processing to allow an applicant to apply for certain title and registration transactions to the county treasurer of a county contiguous to the county of residence of the owner, lessee, or primary user.

ERT: Electronic Registration and Titling System. This is programming developed by the Iowa DOT for use by the county treasurers and Iowa vehicle dealers that was created under Iowa Code 321.20 to allow for electronic applications, titling, registering, and funds transfers for certain transactions.

Issuing County: The county that completes the initial titling and registration transaction. This may be, but is not necessarily, the same as the Managing County under Contiguous County Titling.

Managing County: The county of residence that handles all registration renewals.

HELPFUL QUESTIONS AND ANSWERS

The following questions and answers provide additional information that will be helpful to you and to customers.

1. WHY IS THE IOWA DOT IMPLEMENTING CONTIGUOUS COUNTY TITLING UNDER IOWA CODE 321.20(4) AT THIS TIME?

The contiguous county provisions were added statutorily in 2016 and required the Iowa DOT to implement ERT by July 1, 2019. In both the 2019 and 2020 Iowa legislative sessions, the legislature considered a proposal to allow for customers to apply for the initial vehicle title and registration in any county and not just a customer's county of residence. The proposal would have removed the contiguous county provision in Iowa Code 321.20(4). Iowa DOT was prepared to implement provisions of this cross-county proposal through changes to forms and IT programming with a proposed start date of January 1, 2022. This proposal did not pass either session.

Iowa DOT is obligated to implement the existing provisions of Iowa Code 321.20(4) that would allow for a customer to apply for the initial title and registration in a county that is contiguous to the county of residence of the owner, lessee, or primary user. The complete ERT system was not fully implemented by July 1, 2019 as required in 321.20(2) and is not expected to be available for used car transactions until summer 2022. Therefore, we are moving forward with Contiguous County Titling with the target start date of February 24, 2022.

2. HOW WILL CONTIGUOUS COUNTY TITLING IMPACT COUNTIES?

We anticipate three specific changes:

1. **Forms.** Contiguous County Titling required changes to the Title & Registration application forms (Forms 411007 and 411179, specifically). Beginning in June 2020, the Iowa DOT has worked with key stakeholders to review these forms. This stakeholder group identified changes to comply with 321.20(4) as well as other changes to promote efficiency and customer service. The updated forms 411007 and 411179 have been shared with the dealer associations and the county treasurers and are ready for deployment for February 24, 2022.

2. ARTS and ERT. The Iowa DOT and the ERT Partnership Group have examined the changes that will be needed to IT functions, including in ARTS and ERT. These changes will be programmed with a deployment date to meet the February 24, 2022 deadline.
3. Education. Contiguous County Titling will require substantial outreach to customers and dealers to help them understand the process. We have worked with all counties and our Iowa DOT Strategic Communications team to identify proactive communication for Web, social media, and other media options as we move closer to the deployment date.

3. WHAT TRANSACTIONS MAY BE COMPLETED IN A COUNTY CONTIGUOUS TO COUNTY OF RESIDENCE ON AND AFTER FEBRUARY 24, 2022?

The most common transaction affected by Contiguous County Titling is the initial title and registration application authorized under Iowa Code 321.20. Under statute, this transaction is expressly authorized to be completed in a county contiguous to the county authorized under Iowa Code 321.20(1), namely, the customer’s county of residence.

However, other code sections cross-reference or utilize Iowa Code 321.20. The legislature wrote Iowa Code 321.20(4) to apply “notwithstanding” other provisions of law. The Iowa DOT and stakeholders have reviewed other common transactions. The following transactions are authorized to be completed at a county contiguous to the customer’s county of residence:

Contiguous County-Eligible Transaction	Rationale
Title and registration application with one owner/lessee	Iowa Code 321.20 addresses the title and registration application and expressly includes contiguous county.
Title and registration application with multiple owners/lessees	Iowa Code 321.20 transaction. Note: The Issuing Contiguous County may be contiguous to the county of residence for any one of the owners/lessees.
Title and registration application for an operation of law transfer under Iowa Code 321.47, including but not limited to inheritance, dissolution, bankruptcy, insolvency, foreclosure, execution sale, or repossession	Iowa Code 321.20 transaction.
Title and registration application for specially constructed, reconstructed, street rod, or replica motor vehicles	Iowa Code 321.20 transaction.
Title and registration application for a repaired vehicle that has passed the salvage-theft examination (Rebuilt) under Iowa Code 321.52	Iowa Code 321.52(4)(c) allows a customer to obtain a regular title and registration from a salvage title and a salvage theft examination. This is then a title and registration application under Iowa Code 321.20.
Title and registration application from dealer	Iowa Code 321.70 requires a dealer to register a delinquent vehicle. This is then a

	title and registration application under Iowa Code 321.20.
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4. WHAT SUBSEQUENT TRANSACTIONS ARE COMPLETED IN THE ISSUING COUNTY, AND THEREFORE MAY BE (BUT ARE NOT NECESSARILY) COMPLETED IN A CONTIGUOUS COUNTY ON AND AFTER FEBRUARY 24, 2022?

Some transactions occur during or after the initial title and registration transaction and require the customer to return to the Issuing County. These transactions are not title-and-registration transactions under Contiguous County Titling. But because the Issuing County may be a contiguous county, the customer would need to return to the Issuing County for the subsequent transaction.

Issuing County Transactions (May be Contiguous County)	Rationale
Corrected title	Title-only transaction. Issuing County because that is where the title is located.
Recreate title	Title-only transaction. Issuing County because that is where the title is located.
Additional fee for new registration	This is not a title and registration transaction. Issuing County because the Issuing County has the information about the original transaction to best help the customer.
Replacement title	Title-only transaction. Under Iowa Code 321.42(2)(a), the customer must apply to the county treasurer who issued the original certificate of title.
Void title	Title-only transaction. This transaction may require a refund, and therefore Issuing County is best suited to handle.
Replacement registration certificate during first period of registration	Registration-only transaction. Issuing County because the certificate is “replacing” the original, and the original has Issuing County information during the first registration period.
Security interest notation	Iowa Code 321.50 requires the security interest to be perfected by delivery to the county treasurer of the county where the title was issued or will be issued.

5. WHAT TRANSACTIONS ARE ALWAYS COMPLETED BY MANAGING COUNTY?

The below transactions are always completed by the Managing County. This is because these transactions are not title and registration transactions, but either only title or only registration and therefore Iowa Code 321.20 does not apply.

Managing County Transactions	Rationale
Vehicle renewals	Registration-only transaction under Iowa Code 321.40.
Non-transferrable registration	Registration-only transaction under Iowa Code 321.109.

Parking ticket stops	Registration-only transaction under Iowa Code 321.40(8).
Dealer title (title only)	Title-only transaction.
Small trailers or homemade trailers that do not have a title	Registration-only transactions under Iowa Code 321.123.
Prorate titles	Title-only transaction at the county. Under Iowa Code 321.20A, an owner may apply to a county treasurer for title, but registers with the Iowa DOT for registration separately under Iowa Code 326.
Replacement registration certificate after first registration period	Registration-only transaction. After the first registration period, the registration receipt will have Managing County information and therefore a replacement would come from the Managing County.
Salvage title	Title-only transaction under Iowa Code 321.52.
Junking certificate	Title-only transaction under Iowa Code 321.52.
Manufacturer Buy Back titles	Title-only transaction. Iowa Code 322G requires titling in the Managing County of the transferor.
Replacement license plates	Not a title and registration transaction.

6. HOW WILL COUNTY TREASURERS PROCESS IN-TRANSIT TITLES AND MOBILE HOME TITLES?

In-transit titles and mobile home titles are title-only transactions that do not fall under the Managing County or Issuing County tables discussed above because of unique requirements under Iowa Code. In-transit titles are transacted in the county of purchase, which may or may not be a customer’s county of residence or a county contiguous to the customer’s county of residence.

Mobile home titles are exempt from registration under Iowa Code 321.18, which makes the titling a title-only transaction. Under Iowa Code, a mobile home title shall be transacted in the county or state where the mobile home is located. Again, the location may or may not be the customer’s county of residence or a county contiguous to the customer’s county of residence. An additional unique requirement of mobile homes is for retailers. After acquiring a used mobile home or manufactured home to be titled in Iowa, a manufactured or mobile home retailer as defined in Iowa Code 103A.51, shall within thirty days apply for and obtain from the county treasurer of the retailer’s county of residence a new certificate of title for the mobile home or manufactured home. We are aware mobile home titling is a complex area and emphasize that mobile homes are not subject to Contiguous County Titling.

7. HOW WILL IOWA DOT COMMUNICATE THE CONTIGUOUS COUNTY CHANGES TO OUT-OF-STATE DEALERS?

Iowa DOT will consult with IADA and IIADA for their assistance contacting dealer counterparts in other states. We also encourage counties to reach out to frequent dealers in the area. We will also work with motor vehicle agencies in neighboring jurisdictions to communicate the change.

8. WHAT COUNTY NAME WILL BE LISTED ON THE LICENSE PLATE IF AN INITIAL TITLE AND REGISTRATION TRANSACTION IS COMPLETED BY A CONTIGUOUS ISSUING COUNTY?

The Contiguous Issuing County name will appear on any plate issued under an initial title and registration transaction for license plates required to contain a county name under Iowa law. Customers should be aware

that authorizing Contiguous Issuing County transactions will result in the license plate containing the Contiguous Issuing County name.

9. HOW WILL THE IOWA DOT ADDRESS A CROSS-COUNTY PROPOSAL SHOULD IT BE AUTHORIZED BY THE IOWA LEGISLATURE IN A FUTURE LEGISLATIVE SESSION?

The cross-county proposal referenced in the question is a legislative proposal introduced by the Iowa State County Treasurer’s Association in the last two legislative sessions. This proposal would allow initial title and registration transactions in any county in the state, and not limit the transactions to county of residence. This proposal has not passed the Iowa legislature but is still open for consideration in the 2022 legislative session. Contiguous County Titling will have changes that we anticipate will move us substantially down the path to full cross-county issuance should that be approved in a future legislative session.

10. WHAT IF THERE ARE ADDITIONAL QUESTIONS?

We recognize there are many questions related to the new Contiguous County Titling process. For readability and clarity, we have included three appendices to this memo divided into the following categories:

- Appendix A: Processing Questions
- Appendix B: Forms and ARTS Questions
- Appendix C: ERT and Dealer Questions

For ease of reference, we have continued forward the numbering system into the appendices.

APPENDIX A: PROCESSING QUESTIONS

11. MAY A CUSTOMER COMPLETE A VOID TITLE TRANSACTION IN A CONTIGUOUS COUNTY?

The void title process is a title-only transaction and therefore, the existing process will not change under Contiguous County Titling. We recognize that the void title transaction may be completed through ARTS in any county, but we encourage void titles to only be handled by the Issuing County. This is because if the title is voided because the title was completed in error, there may be a refund associated with the void title transaction. The refund would need to be handled by the county that owes the refund, which would be the Issuing County.

12. MAY A CUSTOMER REQUEST A REPLACEMENT REGISTRATION CERTIFICATE IN A CONTIGUOUS ISSUING COUNTY?

This answer depends on when the customer is asking for a replacement registration certificate. Under Iowa Code 321.42, a replacement registration certificate is intended to replace the existing version of the certificate. If the customer is in the first registration period, the registration certificate will list the Issuing County. Therefore, the replacement registration certificate must be issued again by the Issuing County. If the customer is in a subsequent registration period, the registration certificate will list the Managing County. The replacement registration certificate would then be issued again by the Managing County.

13. MAY A CUSTOMER COMPLETE A REPLACEMENT PLATE TRANSACTION IN A CONTIGUOUS ISSUING COUNTY?

Yes. A customer may complete a replacement plate transaction in either the Issuing Contiguous County or the Managing County. The customer should be aware that the Issuing Contiguous County option is only available if the customer completed the initial title and registration transaction in an Issuing Contiguous County. Further, the plate will have the Contiguous Issuing County's name on the plate if the customer transacts in the Contiguous Issuing County.

14. MAY A CUSTOMER COMPLETE A REINSTATE TITLE TRANSACTION IN A CONTIGUOUS ISSUING COUNTY?

Yes. Any supervisor at the county level may reinstate a title under current ARTS programming, which would include a Contiguous Issuing County. A reinstate title transaction does not change the vehicle record except to make the record active. We recommend that either the Managing County, or the Contiguous Issuing County if the Contiguous Issuing County handled the initial title and registration application, handle the reinstate title transaction. This is because those counties are most likely to have the background for why the reinstate title transaction is appropriate.

15. IF A CUSTOMER DESIGNATES A DEALER OR LESSOR AS POWER OF ATTORNEY AND THE DEALER OR LESSOR PROVIDES THE VALID POWER OF ATTORNEY, MAY THE AGENT DECIDE ON BEHALF OF THE CUSTOMER TO TRANSACT IN A CONTIGUOUS COUNTY?

Yes, if the transaction is eligible for Contiguous County Titling and the customer has signed a valid Power of Attorney to provide authority to the agent to make any choices on the transaction, the agent may select the contiguous county box on the title and registration application. Note that the county must be contiguous on the basis of the customer's county of residence, not the agent's county of residence.

16. MAY A CONTIGUOUS ISSUING COUNTY REFUSE TO COMPLETE A TRANSACTION FOR A CUSTOMER IF THE COUNTY KNOWS THE CUSTOMER HAS TRIED TO TRANSACT IN OTHER COUNTIES AND THE CUSTOMER WAS TURNED AWAY IN THE OTHER COUNTIES FOR FRAUD CONCERNS?

Counties have the authority to refuse a title and registration transaction due to fraud under Iowa Code 321.30. We recommend that if one county suspects fraud, the county place a sticky note on the vehicle record in ARTS to alert other counties. If fraud is certain, the county may add an Exception to stop any future transactions. We also recommend contacting a Bureau of Investigation and Identity Protection investigator for further action.

17. IS A CONTIGUOUS ISSUING COUNTY REQUIRED UNDER IOWA LAW TO FOLLOW A MANAGING COUNTY'S CASH-ONLY NOTATION ON A CUSTOMER RECORD?

No, the cash-only notation is not a hard stop to a transaction under Iowa law. The Contiguous Issuing County may, but is not required to, enforce the cash-only notation. We encourage counties to work together to solve these discretionary processing issues as they arise.

18. IS A CONTIGUOUS ISSUING COUNTY REQUIRED TO FOLLOW ANOTHER COUNTY'S INSUFFICIENT FUNDS STOP ON A CUSTOMER?

Yes. Contiguous County Titling will not change the existing insufficient funds processes. An insufficient funds stop will continue to be a hard stop and the customer must clear the insufficient funds stop with the county that placed the stop. A customer will be unable to register a vehicle with an insufficient funds stop. This includes if a dealer has already collected fees.

19. IF A CUSTOMER STARTS A CONTIGUOUS COUNTY-ELIGIBLE TRANSACTION IN ONE COUNTY AND NEEDS TO HALT THE TRANSACTION FOR ANY REASON, MAY THE CUSTOMER FILL OUT A NEW APPLICATION AND GO TO A DIFFERENT CONTIGUOUS COUNTY?

Yes. A customer may withdraw an application at any time. However, the customer will need to complete a new application. The customer cannot cross out or edit the contiguous county assignment on the title and registration application. We also suggest that if staff in the first county (where the transaction started) identify any anomalies with the transaction, staff may want to add a sticky note to the vehicle record in ARTS so that a subsequent county is aware of the issue and can address as needed.

20. HOW SHOULD A COUNTY PROCESS AN APPLICATION THAT DOES NOT HAVE THE CONTIGUOUS COUNTY BOX CHECKED?

If the application is received by the Managing County, then it should be transacted. If the application is received by a Contiguous Issuing County, the sender will need to be notified that the remaining items need to be completed on the form including to check the box and to list a contiguous county for the Contiguous County to transact or that the application should be sent to the Managing County.

21. HOW SHOULD A COUNTY PROCESS AN APPLICATION THAT HAS THE CONTIGUOUS COUNTY BOX CHECKED BUT NO CONTIGUOUS COUNTY LISTED?

We encourage counties to make sure they have sufficient information to confirm which county the sender intended before completing the transaction. For example, Contiguous County could be inferred from the Contiguous County receiving the application and the check is written to the Contiguous County. If there is doubt that the customer intended the county that received the application to transact it, we recommend that the sender be notified that additional information is needed to complete the transaction. Options include

instructions to either list a contiguous county or to submit a new application with the box unchecked. Counties should be aware that processing an application where the contiguous county intent is unclear may lead to more complications for both the customer and the counties if the transacting county was not intended, including reissuing title, reissuing registration, which county should receive the fees, and reissuing license plates.

22. HOW SHOULD A COUNTY PROCESS AN APPLICATION THAT HAS THE CONTIGUOUS COUNTY BOX UNCHECKED BUT FILLS IN A CONTIGUOUS COUNTY IN THE SAME LINE?

We encourage counties to make sure they have sufficient information to confirm which county the sender intended before completing the transaction. This may include, if the customer has written a check, confirming which county the customer wrote the check to. When a contiguous county is written into an application, we believe the following assumptions are appropriate:

- Contiguous County receives an application with the Contiguous County written in, but the box unchecked. It is reasonable to assume the customer intended the Contiguous County to transact the application and for the Contiguous County to complete the transaction.
- Managing County receives an application with a Contiguous County written in, but the box unchecked. If it is unclear from other information which county was intended, the Managing County should notify the sender that additional information is needed. Options include instructions to either check the box to authorize contiguous county or to submit a new application with the blank unfilled.
- Any other county receives an application with a different county's name on the application. The sender should be notified that additional information is needed to complete the transaction.

23. WILL A CONTIGUOUS ISSUING COUNTY BE REQUIRED TO ADOPT THE DISCRETIONARY CHOICES A MANAGING COUNTY MAY HAVE FOR PROCESSING THESE TRANSACTIONS?

There are many aspects of county titling operations that are not specified by law but are subject to county discretion in managing their operations. We recommend that each county clearly define and consistently apply its policies as needed. A Contiguous Issuing County may, but is not required to, adopt discretionary policies of a customer's Managing County. We encourage all counties to confirm that a particular policy is discretionary and not required in law prior to transacting.

24. WILL CONTIGUOUS COUNTIES SHARE THE SAME BUREAU OF INVESTIGATION AND IDENTITY PROTECTION INVESTIGATOR?

No. This may happen by coincidence that one or more contiguous counties will share a Bureau of Investigation and Identity Protection investigator. But it is not possible that all contiguous counties will share an investigator because each county has its own set of contiguous neighbors.

25. WILL THE IOWA DOT BE PROVIDING ADDITIONAL PRINTERS AND/OR COMPUTERS WITH ARTS ACCESS IF A COUNTY ANTICIPATES A SIGNIFICANT INCREASE IN TRANSACTIONS?

At this time, the Iowa DOT is not anticipating providing additional printers or computers with ARTS access to any counties based on Contiguous County Titling. As data is gathered under Contiguous County Titling for transaction numbers, we will re-evaluate as needed.

26. MAY A COUNTY RESTRICT IN-PERSON CONTIGUOUS COUNTY TITLING TRANSACTIONS TO CERTAIN TIMES OF DAY OR CERTAIN DAYS OF THE WEEK?

We defer to counties on business decisions related to how to manage their transactions. However, we encourage counties to treat Contiguous County Titling transactions equally to other similar transactions because doing so will provide counties more accurate numbers of contiguous county transactions. This path will also reduce the risk of noncompliance with Iowa Code 321.20, which requires a county to allow contiguous county transactions.

27. IF A DEALER OR CUSTOMER IS FROM A CONTIGUOUS COUNTY BUT MAILS (OR USES A DROP BOX) WITH THE OLD APPLICATION AND A CHECK, MAY THE COUNTY ENDORSE THE CHECK AND SEND THE APPLICATION AND CHECK TO THE CORRECT ISSUING COUNTY?

We defer to county discretion. If the two counties agree, the first county may send the endorsed check and application to the second county. However, the first county may also return the application and check to the dealer or the customer, as appropriate.

28. IF A CUSTOMER HAS A NON-TRANSFERRABLE REGISTRATION AND SUBSEQUENTLY RECEIVES THE TITLE TO TRANSFER THE VEHICLE, WHERE MAY THE CUSTOMER TRANSACT TO RECEIVE A NEW TITLE AND REGISTRATION?

A customer with a non-transferrable registration that subsequently receives title and wishes to title and register the vehicle may transact in a Contiguous Issuing County. This is because the customer is completing an initial title and registration application under Iowa Code 321.20 in this scenario.

As an example, if a person moves into Ames with a Nebraska lease but does not have the title, the customer will apply for and receive Story County non-transferrable registration. If the customer wants to trade the car into the dealership, the customer must receive the title from the leasing company to complete the trade. The customer will then apply for and receive a new title and registration prior to transferring the vehicle to the dealership. This transaction is a new title and registration application, and therefore the customer may complete the transaction in a Contiguous Issuing County.

APPENDIX B: FORMS AND ARTS QUESTIONS

29. HOW WILL CONTIGUOUS COUNTY TITLING AFFECT FORMS?

We have updated Form 411007 for purchased vehicles and Form 411179 for leased vehicles to comply with Contiguous County Titling. The new forms both include contiguous county authorization to confirm the applicant intends to utilize Contiguous County Titling.

30. MAY A CUSTOMER OR DEALER USE THE OLD FORMS ON AND AFTER FEBRUARY 24, 2022?

Yes, the old title and registration forms will remain valid but may only be submitted to the Managing County. The old form will not have the contiguous county authorization and therefore the form cannot be used in a contiguous county transaction. To transact in a contiguous county, the customer or dealer must have the new form. The old form also does not have the new ERT authorization check box, therefore any deal submitted through ERT that attaches the old title application form will also need to attach a separate ERT authorization form to comply with Iowa law.

31. WILL THE NEW APPLICATION CLEARLY STATE IF THE OWNER IS TRANSFERRING THEIR PLATES WITH A TRADE-IN?

Yes, the updated application form now includes a specific area for plate transfer in the "Vehicle Information Section" on both the purchase and lease forms.

32. WHY DO THE NEW APPLICATION FORMS INCLUDE "NEW" AND "USED" BOXES?

During the application form review, we confirmed that the forms should contain "new" and "used" boxes under Iowa Code 321.20(1)(b). These boxes will also make clear during transactions if this is a new or used vehicle. Note that a county may complete the transaction on a form even if neither of these boxes is checked. This is because although Iowa Code requires these boxes on the form, and these boxes will help counties and customers identify necessary documents, ARTS does not require this information to complete a transaction or to verify a customer is transacting in the proper county.

33. THE NEW APPLICATION ALLOWS MORE THAN TWO TRADE-INS. WILL ARTS ALLOW MORE THAN TWO TRADE-INS FOR REGISTRATION CREDIT?

No. Under Iowa law, registration credit is only available for two vehicles. Registration credit is different from trade-in credit. Trade-in credit is credit to be applied against the purchase price for the purpose of calculating the fee for new registration. Trade-in credit is allowed for more than two vehicles, and the new application form reflects Iowa law for trade-in credit.

34. HOW WILL CONTIGUOUS COUNTY TITLING AFFECT THE TITLE DOCUMENT?

At the time of deployment, the title document will show the Issuing County. However we are working on programming to show both the Issuing County and the Managing County when the title is printed. The first two digits of the title number will reflect the Issuing County. We expect to have full functionality with both Issuing County and Managing County soon.

35. HOW WILL CONTIGUOUS COUNTY TITLING AFFECT ARTS?

We are programming ARTS to comply with Contiguous County Titling. Key changes include:

- A new field entitled “Issuing County.” For an ERT deal, the dealer shall enter the Issuing County. For a title and registration deal originated at the county treasurer, the Issuing County will default to the county of the county treasurer operator. The county treasurer operator will have the ability to change the Issuing County as long as it conforms to the contiguous county process. ARTS will be programmed to review a newly created table of contiguous counties. ARTS will issue a hard stop if the Issuing County is not contiguous to the Managing County.
- If the Issuing County is contiguous to the Managing County, discretionary edit 27 will fire as a reminder to the processing staff to ensure that this customer is requesting contiguous county. Approval level will be set at 30 to be approved by the county clerk.

36. HOW WILL ARTS REPORT CHANGES IN TRANSACTION NUMBERS WITH CONTIGUOUS COUNTY TITLING?

We are aware that the counties will want to know how Contiguous County Titling has affected transaction numbers. We are creating two new management reports:

- Number of titles issued by the given Issuing County for all managing titles
- Number of titles issued by Issuing Counties for the Managing County

Existing reports will also change:

- Title snapshot report will display both Issuing County and Managing County.
- Vehicle ownership details report will display Issuing County under the titles section.
- The customer ownership details report will display Issuing County under the titles section.

We anticipate these reports will be available February 24, 2022, and we will have training materials to show counties how to access these reports.

37. WHAT IF A CUSTOMER HAS NOT CHANGED THEIR ADDRESS SO THE SYSTEM DOES NOT RECOGNIZE THE COUNTY AS AN ISSUING CONTIGUOUS COUNTY TO THE MANAGING COUNTY?

The Issuing Contiguous County will first need to process an address change. Once the address is changed, ARTS should properly recognize the Contiguous County to complete the transaction.

38. WILL AN ELT LENDER SEE ISSUING COUNTY AND MANAGING COUNTY IN ARTS?

Yes, ELT lenders have access to Title Snapshot in ARTS. Both the title and title snapshot will indicate both Issuing County and Managing County.

39. WITH THE CHANGES TO THE TITLE AND REGISTRATION APPLICATION, WILL ARTS ALLOW THE COUNTIES TO ONLY PRINT THE FIRST SHEET OF THE APPLICATION IF THE OTHER PAGES ARE NOT NECESSARY FOR THE TRANSACTION?

The Print App feature in ARTS will automatically print all three pages. However, a county may adjust in the Print function for each job to only print the needed pages.

40. WILL A COUNTY BE ABLE TO PRINT A LEASE APPLICATION IN ARTS WITH ALL THE INFORMATION PRE-FILLED?

No, this feature is not available in ARTS programming today and it is not being added under Contiguous County Titling. We are aware of this request and it is in the process of being prioritized.

41. WHEN A COUNTY PRINTS THE APPLICATION FROM ARTS WILL THE CONTIGUOUS COUNTY BOX BE AUTOMATICALLY CHECKED AND THE COUNTY NAME PRINTED, OR WILL THE COUNTY NEED TO MARK THE BOX?

No, the contiguous county box on the application form will not be automatically checked and the county should not check the box for the customer. The customer will need to check the box and write in the county name at the same time the customer is signing the application. The check box and blank are located on the new forms under the signature block.

42. WILL BOTH THE ISSUING COUNTY AND THE MANAGING COUNTY HAVE THE ABILITY TO SEE THE TITLE PAPERWORK IN ARTS OR ERMS IN CASE THE CUSTOMER HAS FOLLOW-UP QUESTIONS?

It appears that only the Issuing County will have access to the title paperwork in ARTS or ERMS. We would also recommend that post-transaction questions about the title issuance be directed only to the Issuing County, as the Issuing County is most likely to have the specific information available.

APPENDIX C: ERT AND VEHICLE DEALER QUESTIONS

43. WHY IS ERT INCLUDED IN CONTIGUOUS COUNTY TITLING?

There is no distinction under Iowa law between ERT and paper transactions for Contiguous County Titling.

44. HOW WILL CONTIGUOUS COUNTY TITLING AFFECT ERT?

We have programmed ERT to comply with Contiguous County Titling. Key changes include:

- The dealer will select the Issuing County. A null value for Issuing County is not allowed. The ERT deal will appear in the ERT queue for the Issuing County.
- If the Issuing County selected is not contiguous to the customer's Managing County, then the submission service will return an error that the Issuing County is not contiguous to the Managing County.

45. WHAT IF A DEALER ENTERS THE WRONG ISSUING COUNTY?

The county will reject the deal if the Issuing County does not match a Contiguous County and the dealer must reenter the deal.

46. IS A TRANSACTION WHERE A DEALER OBTAINS TITLE AND REGISTRATION FOR A VEHICLE ELIGIBLE FOR CONTIGUOUS COUNTY TITLING?

Yes, if a dealer chooses to or is required to title and register a vehicle, this is a title and registration transaction under Iowa Code 321.20 and is eligible for Contiguous County Titling.

47. ARE DEALER TITLE TRANSACTIONS ELIGIBLE FOR CONTIGUOUS COUNTY TITLING?

A dealer title transaction is not eligible for Contiguous County Titling. This is because only title and registration transactions are eligible for Contiguous County Titling, and here, this is a title-only transaction.

48. WHAT IF A DEALER SENDS AN ERT DEAL FOR A CUSTOMER THAT HAS RECENTLY MOVED TO A NEW COUNTY BUT THE ADDRESS IS NOT YET UPDATED IN ARTS?

The county should open the title application and process the deal based on these two options:

- If the customer address as listed on the title application would qualify to be transacted in that county (it is either county of residence or contiguous), then the county should change the Customer Record to update the address and then process the title.
- If the customer address as listed on the title application would NOT qualify to be transacted in that county, the county should deny the deal and add a comment to the dealer that the deal must be submitted to a different county that is either the county of residence or contiguous county for the customer.

49. WHAT HAPPENS IF A DEALER SENDS AN ERT DEAL AND THE ERT CHECKBOX IS NOT LISTED ON THE TITLE APPLICATION?

The county should deny the deal because the customer did not authorize the use of ERT. The dealer may correct the error by submitting a separate ERT authorization signed by the customer or by recompleting the application with a new signature date. The dealer may NOT adjust the original application by marking the ERT authorization check box for the customer and keeping the original signature date. If the dealer does not obtain permission to submit through ERT, it must submit the deal in hard copy.

50. IF A CUSTOMER AUTHORIZES THE USE OF ERT, IS THE DEALER REQUIRED TO USE ERT OR IF NECESSARY, MAY THE DEALER SUBMIT THE DEAL IN HARD COPY?

Iowa law strongly implies that the dealer should follow the customer's agreement that ERT will be used. However, if it becomes necessary a dealer may submit the deal in hard copy if the decision is to protect the customer from accruing additional fees or there are unforeseen issues with completing the deal in ERT. We caution dealers that submitting the deal in hard copy deviates from customer expectations and may result in the dealer inaccurately charging fees to the customer that will require a refund. Iowa law recognizes that a dealer may pass on costs or fees incurred by use of ERT and if ERT is not used, the dealer should return those ERT-related costs to the customer. We encourage dealers to notify the customer and explain that the deal will be submitted in hard copy and to address any discrepancies with fees at that time.