

Motor Vehicle Division Information Memo # 19-18

2019 Legislation – Towable Recreational Vehicles

DATE: June 17, 2019

FROM: Sara Siedsma, Compliance Officer, MVD

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

SUBJECT

This informational memo explains legislation enacted during the 2019 legislative session revising Iowa Code chapter 322C related to travel trailer dealer and manufacturer franchise agreements, including redefining travel trailers in that chapter to be considered towable recreational vehicles.

SUMMARY

Senate File 435 amended Iowa Code chapter 322C to update the requirements between a travel trailer dealer and manufacturer related to franchise agreements. The bill increased the length of human habitation requirement in the definition of travel trailer in Iowa Code section 321.1(36C) which would require the travel trailer to be classed as a manufactured or mobile home from 90 to 180 consecutive days in one location. The bill also redefined the term travel trailer in chapter 322C to include several subsets under the umbrella of the new definition of towable recreational vehicle. However, for purposes of registration and titling under Iowa Code chapter 321, any towable recreational vehicle will still be considered a travel trailer or fifth-wheel travel trailer, as applicable. **The legislation is effective July 1, 2019.**

LINK TO LEGISLATION

<https://www.legis.iowa.gov/docs/publications/LGE/88/SF435.pdf>

CURRENT

Under current law, chapter 322C refers to travel trailers and fifth-wheel travel trailers, and does not refer to towable recreational vehicles. Section 321.1(36C) also provides that a travel trailer that is used as a place of human habitation for more than 90 consecutive days in one locations shall be classed as a manufactured or mobile home.

NEW

The new legislation adds new requirements surrounding the franchise agreements between travel trailer dealers and manufacturers and redefines the term travel trailer in that chapter to include several subsets under the umbrella of the new definition of towable recreational vehicle. However, for purposes of registration and titling under Iowa Code chapter 321, any towable recreational vehicle will still be considered a travel trailer or fifth-wheel travel trailer. Section 321.1(36C) was also amended to increase the length of human habitation requirement which would require the travel trailer to be classed as a manufactured or mobile home from 90 to 180 consecutive days in one location.

BUSINESS IMPACT

This directive does not significantly impact the way that VMCS and County Treasurers operate because the legislation provides that for purposes of registration and titling under Iowa Code chapter 321, any towable recreational vehicle will still be considered a travel trailer or fifth-wheel travel trailer, as applicable. Therefore, you will continue to register and title travel trailers and fifth-wheel travel trailers under the same requirements as you do currently. However, the amendment to the length of human habitation requirement from 90 to 180 consecutive days in one location may cause less travel trailers to be classed as a manufactured or mobile home.

Due to the change to chapter 322C, we will be adjusting dealer licenses, Dealer Application Form 417008 and web site references to change the term “travel trailer” to “towable recreational vehicle.”. However, we will not re-issue any existing licenses labeled as “travel trailer” until they are renewed in the January 1, 2021 renewal period.

We will issue printed dealer licenses to newly licensed dealers with the “towable recreational vehicle” label starting on July 1, 2019. We will also replace any printed dealer licenses with the “towable recreational vehicle” label starting on July 1, 2019 if a dealer indicates the previous license was lost or destroyed. The dealer definition in ARTS may not change until later in 2019 but all users should consider a “travel trailer” dealer to be the legal equivalent of a “towable recreational vehicle” dealer.

QUESTIONS AND ANSWERS

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

WILL TRAVEL TRAILER TITLE OR REGISTRATIONS BE CHANGED?

No. The legislation specifically states that the term “travel trailer” will be retained for title and registration purposes. We are not making any changes to how travel trailers are titled, registered or identified in ARTS.

MAY A CUSTOMER OR DEALER REQUEST THAT A TITLE OR REGISTRATION REFER TO A “TOWABLE RECREATIONAL VEHICLE?”

No. The legislation specifically states that the term “travel trailer” will be retained for title and registration purposes, so we are not making any changes to how travel trailers are titled, registered or identified in ARTS and cannot do so for individual requests.

WILL DEALER LICENSES BE CHANGED?

We will begin to make changes to ARTS, Form 417008 and the DOT web site to refer to dealers of “towable recreational vehicles” instead of travel trailers. All dealers with an existing “travel trailer” dealer license issued before July 1, 2019, will continue to hold that same license. Any dealer issued a new license after July 1, 2019, will be issued a “towable recreational vehicle” license. If/when current dealers renew for the next period beginning January 1, 2021, those

dealers will be issued a “towable recreational vehicle” license. From July 1, 2019 through January 1, 2021, a license with either label shall be deemed the same.

ARTS may continue to refer to “travel trailer” dealers for some time after July 1, 2019. However, all users should consider a “travel trailer” dealer to be the legal equivalent of a “towable recreational vehicle” dealer.

WHAT ARE THESE TRAILERS LABELED IN OTHER JURISDICTIONS?

The industry supporters of this legislation have also been working in other states, so it is possible that other jurisdictions may title and register “towable recreational vehicles.” However, since the Iowa legislation specifically states that the term “travel trailer” will be retained for title and registration purposes, Iowa will continue to use the original term.

MAY A DEALER REQUEST THAT ITS LICENSE BE CHANGED TO “TOWABLE RECREATIONAL VEHICLE?”

For ease of transition and to avoid processing costs, we ask that all existing dealers retain the current license with the “travel trailer” license until the next renewal period beginning January 1, 2021. We will replace a printed license if it is lost or destroyed, and the replacement will use the designation of “towable recreational vehicle” dealer.