

CHAPTER 15
REVOCATION, SUSPENSION, AND NONRENEWAL OF LICENSE
FOR FAILURE TO PAY STATE LIABILITIES

561—15.1(272D,261) Purpose and use. This chapter is intended to help collect liabilities of the state or a state agency from persons who have licenses with the department. This chapter shall apply to all licenses issued, renewed or otherwise authorized by the department.

[ARC 8774B, IAB 6/2/10, effective 7/7/10]

561—15.2(272D,261) Definitions. For purposes of this chapter, the following definitions shall apply:

“*Certificate of noncompliance*” means a document provided by the collecting agency certifying the named person has outstanding liability placed with the collecting agency and has not entered into an approved payment plan to pay the liability.

“*Collecting agency*” means the centralized collection unit of the department of revenue or the Iowa college student aid commission.

“*Department*” means the department of natural resources.

“*Liability*” means a debt or obligation placed with the collecting agency for collection that is greater than \$1,000. For purposes of this chapter, “liability” does not include child support payments collected pursuant to Iowa Code chapter 252J.

“*License*” means a license, certification, registration, permit, approval, renewal or other similar authorization issued to a person by the department which evidences the admission to, or granting of authority to engage in, a profession, occupation, business, industry, or recreation, including those authorizations set out in Iowa Code chapters 321G, 321I, 455B, 455C, 455D, 456A, 459, 459A, 461A, 462A, 481A, 481B, 481C, 482, 483A, 484B and 484C.

“*Licensee*” means a person to whom a license has been issued by the department or who is seeking the issuance of a license from the department.

“*Notice of intent*” means a notice sent to a licensee indicating the department’s intent to suspend, revoke, or deny renewal or issuance of a license.

“*Obligor*” means a person with a liability placed with the collecting agency.

“*Person*” means a licensee.

“*Withdrawal of a certificate of noncompliance*” means a document provided by the collecting agency certifying that the certificate of noncompliance is withdrawn and that the department may proceed with issuance, reinstatement, or renewal of a person’s license.

[ARC 8774B, IAB 6/2/10, effective 7/7/10]

561—15.3(272D,261) Requirements of the department.

15.3(1) Records.

a. The department shall collect and maintain records of its licensees that must include, at a minimum, the following:

- (1) The licensee’s first and last names.
- (2) The licensee’s current known address.
- (3) The licensee’s social security number.

b. The records shall be made available to the collecting agency so that the collecting agency may match to the records the names of persons with any liabilities placed with the collecting agency for collections. The records must be submitted in an electronic format and updated on a quarterly basis.

15.3(2) Certificate of noncompliance. Upon receipt of a certificate of noncompliance from the collecting agency, the department shall initiate rules and procedures for the suspension, revocation, or denial of issuance or renewal of a license to a person.

15.3(3) Notice of intent. The department shall provide to a person a notice of intent to suspend, revoke or deny issuance or renewal of the person’s license in accordance with Iowa Code chapter 272D or Iowa Code section 261.126, whichever is appropriate. The suspension, revocation, or denial shall be effective no sooner than 30 days following the issuance of the notice of intent to the person. The notice shall state all of the following:

- a. That the department has received a certificate of noncompliance from the collecting agency and intends to suspend, revoke or deny issuance or renewal of a person's license;
- b. That the person must contact the collecting agency to schedule a conference or to otherwise obtain a withdrawal of a certificate of noncompliance;
- c. That the department will revoke, suspend or deny issuance or renewal of the person's license unless a withdrawal of a certificate of noncompliance is received from the collecting agency within 30 days from the date of the notice of intent;
- d. That in the event the department's rules and procedures conflict with the additional rules and procedures under this chapter, the rules and procedures of this chapter shall apply;
- e. That mistakes of fact in the amount of the liability owed and the person's identity may not be contested to the department; and
- f. That the person may request a district court hearing as outlined in rule 701—153.10(272D).

15.3(4) *Withdrawal.* Upon receipt of a withdrawal of a certificate of noncompliance from the collecting agency, the department shall immediately reinstate, renew, or issue a license if the person is otherwise in compliance with the department's requirements.

[ARC 8774B, IAB 6/2/10, effective 7/7/10]

561—15.4(272D,261) No administrative appeal of the department's action. Pursuant to Iowa Code sections 261.126 and 272D.8, a person does not have a right to a hearing before the department to contest the department's action under this chapter but may request a court hearing pursuant to rule 561—15.5(272D,261).

[ARC 8774B, IAB 6/2/10, effective 7/7/10]

561—15.5(272D,261) District court hearing. A person may seek review of the actions listed in 701—subrule 153.14(1) and request a hearing before the district court by filing an application with the district court in the county in which the majority of the liability was incurred. The person must send a copy of the application to the collecting agency by regular mail. The application must be filed no later than 30 days after the department issues its notice of intent.

15.5(1) *Scheduling.* The clerk of the district court shall schedule a hearing and mail a copy of the scheduling order to the person, the collecting agency, and the department.

15.5(2) *Certification.* Prior to the hearing, the collecting agency shall certify to the court a copy of its written decision and certificate of noncompliance, indicating the date of issuance, and the department shall certify to the court a copy of the notice issued pursuant to subrule 15.3(3).

15.5(3) *Stay.* Upon receipt of a copy of a scheduling order from the clerk of court and prior to the hearing, the department shall stay any action contemplated on the person's license pursuant to the notice of intent.

15.5(4) *Hearing.* The hearing on the person's application shall be scheduled and held within 30 days of the filing of the application. However, if the person fails to appear at the scheduled hearing, the stay shall be lifted and the department shall continue its procedures pursuant to the notice of intent.

15.5(5) *Scope of review.* The district court's review shall be limited to demonstration of the amount of the liability owed or the identity of the person.

15.5(6) *Findings.* If the court finds the collecting agency was in error either in issuing a certificate of noncompliance or in its failure to issue a withdrawal of a certificate of noncompliance, the collecting agency shall issue a withdrawal of a certificate of noncompliance to the department. If the court finds the collecting agency was justified in issuing a certificate of noncompliance or in not issuing a withdrawal of a certificate of noncompliance, a stay imposed under subrule 15.5(3) shall be lifted and the department shall proceed with the action as outlined in its notice of intent.

[ARC 8774B, IAB 6/2/10, effective 7/7/10]

These rules are intended to implement Iowa Code chapter 272D and Iowa Code section 261.126.

[Filed ARC 8774B (Notice ARC 8598B, IAB 3/10/10), IAB 6/2/10, effective 7/7/10]