

**701—26.8(421) Requests for division of a public payment subject to setoff.**

**26.8(1)** Requests for division of a public payment subject to setoff may be submitted to the department via the manner described on the challenge notice furnished to the obligor by the department pursuant to Iowa Code section 421.65(2)“e.” Requests for division shall be submitted within 15 days of the date of the notice. Requests for division may be made only by an obligor or co-payee of the public payment.

**26.8(2)** The obligor or co-payee requesting the division of a payment must submit to the department their full name and social security number or similar identifying information for an obligor or co-payee who does not have a social security number.

**26.8(3)** The department shall notify a public agency of a successful request for division. At the direction of the department, the public agency shall divide a jointly or commonly owned right to payment and refund the applicable setoff amount in the manner determined by the department. The department may determine that it should refund the setoff amount to the obligor or co-payee on behalf of the public agency if the department determines, in its sole discretion, that the public agency is unable to make the payment or the requirement to make the payment would cause the public agency significant hardship. If the department determines that it should refund the setoff amount, the public agency must return the setoff funds to the department immediately after receiving notice from the department. The public agency must adhere to the department’s determination and has no appeal opportunity. In the event of a successful request for division, the department shall retain the fee paid by the public agency for use of the setoff program.

**26.8(4)** Any jointly or commonly owned right to payment is rebuttably presumed to be owned in equal portions by its joint or common owners.

**26.8(5)** The date and time of filing a request for division shall be computed in accordance with rule 701—7.4(17A).

This rule is intended to implement Iowa Code section 421.65.  
[ARC 7080C, IAB 10/4/23, effective 11/13/23]