

H-3/24/95 Judiciary

Reprinted

FILED MAR 16 1995

SENATE FILE 403
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO SSB 271)

Passed Senate, ^(P. 850) Date 3/23/95 Passed House, Date 4/24/95 (P. 1816)
Vote: Ayes 50 Nays 0 Vote: Ayes 98 Nays 0
Approved May 4, 1995

A BILL FOR

1 An Act relating to collection of delinquent restitution payments.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24

S.F. 403

1 Section 1. Section 321.40, unnumbered paragraph 4, Code
2 1995, is amended to read as follows:

3 The county treasurer shall refuse to renew the registration
4 of a vehicle registered to a person when notified that ~~there~~
5 ~~is-a-warrant-outstanding-for-that-person's-arrest-out-of-a~~ the
6 person has not paid restitution as defined under section
7 910.1, subsection 3, to the clerk of the court located within
8 ~~that county and-the-warrant-arises-out-of-the-alleged~~
9 ~~violation-of-a-provision-of-this-chapter-or-of-an-ordinance~~
10 ~~adopted-by-a-local-authority-relating-to-the-stopping,-parking~~
11 ~~or-operation-of-a-vehicle-or-the-regulation-of-traffic.~~ Each
12 clerk of court ~~in-this-state~~ subject to this section shall, by
13 the last day of each month, notify the county treasurer of
14 that county of all persons ~~against-whom-such-an-arrest-warrant~~
15 ~~has-been-issued-and-is-outstanding~~ who owe delinquent
16 restitution. Immediately upon the cancellation or
17 satisfaction of ~~such-an-arrest-warrant~~ the restitution the
18 clerk of court shall notify ~~the-person-against-whom-the-arrest~~
19 ~~warrant-was-issued-and~~ the county treasurer if that person's
20 name appeared on the last list furnished to the county
21 treasurer. This paragraph does not apply to the transfer of a
22 registration or the issuance of a new registration. The
23 provisions of this paragraph are applicable to counties with a
24 population of ~~two-hundred~~ twenty-five thousand or more. The
25 provisions of this paragraph shall be applicable to any county
26 with a population of less than ~~two-hundred~~ twenty-five
27 thousand upon the adoption of a resolution by the county board
28 of supervisors so providing.

29 Sec. 2. Section 321.236, subsection 1, paragraph c, Code
30 1995, is amended to read as follows:

31 c. If the local authority regulating the standing or
32 parking of vehicles under this subsection is located in a
33 county where the renewal of registration of a vehicle shall be
34 denied refused for ~~outstanding-arrest-warrants~~ unpaid
35 restitution under section 321.40, the simple notice of fine

1 under paragraph "a" of this subsection shall contain the
2 following statement:

3 "FAILURE TO PAY A JUDGMENT FOR A PARKING VIOLATION
4 RESTITUTION OWED BY YOU CAN BE GROUNDS FOR REFUSING TO RENEW
5 YOUR MOTOR VEHICLE'S REGISTRATION."

6 ~~This paragraph does not invalidate forms for notice of~~
7 ~~parking violations in existence prior to July 1, 1980.~~
8 ~~Existing forms may be used until supplies are exhausted.~~

9 Sec. 3. Section 602.8107, subsection 1, Code 1995, is
10 amended to read as follows:

11 1. Restitution as defined in section 910.1 shall be paid
12 to the clerk of the district court. All amounts collected
13 shall be distributed pursuant to sections 602.8106 and
14 602.8108 or as otherwise provided by this Code. The clerk may
15 accept payment of an obligation or a portion thereof by credit
16 card. ~~The clerk may charge a fee to reflect the additional~~
17 ~~cost of processing the payment by credit card.~~ Any fees
18 charged to the clerk with respect to payment by credit card
19 may be paid from receipts collected by credit card. For the
20 purpose of fee collection, all payments made to the clerk by a
21 means other than a credit card shall be considered cash
22 discount payments.

23 Sec. 4. Section 602.8107, subsection 5, Code 1995, is
24 amended to read as follows:

25 5. If a county attorney ~~has not filed~~ does not file a
26 notice of commitment to collect delinquent obligations
27 pursuant to section 331.756, subsection 5 ~~or has transferred~~
28 ~~collection responsibility for a particular delinquent amount~~
29 ~~to the department, the department of revenue and finance or~~
30 ~~its designee may collect delinquent fines, penalties, court~~
31 ~~costs, surcharges, restitution for court appointed attorney~~
32 ~~fees, or expenses of a public defender.~~ From the amounts
33 collected, the department shall pay for the services of its
34 designee and the remainder shall be deposited in the general
35 fund of the state with the clerk of the district court on or

1 before July 1 of each year, the judicial department may assign
2 obligations to the centralized collection unit of the
3 department of revenue and finance or its designee to collect
4 debts owed to the clerk of the district court.

5 The department of revenue and finance may impose a fee
6 established by rule to reflect the cost of processing which
7 shall be added to the debt owed to the clerk of the district
8 court. Any amounts collected by the unit will first be
9 applied to the processing fee. The remaining amounts shall be
10 remitted to the clerk of the district court for the county in
11 which the debt is owed. The judicial department may prescribe
12 rules to implement this section. These rules may provide for
13 remittance of processing fees to the department of revenue and
14 finance or its designee.

15 ~~This subsection does not apply to amounts collected for~~
16 ~~victim restitution, the victim compensation fund, criminal~~
17 ~~penalty surcharge, or amounts collected as a result of~~
18 ~~procedures initiated under section 421.17, subsection 25.~~
19 Satisfaction of the outstanding obligation occurs only when
20 all fees or charges and the outstanding obligation are paid in
21 full. Payment of the outstanding obligation only shall not be
22 considered payment in full for satisfaction purposes.

23 The department of revenue and finance or its collection
24 designee shall file with the clerk of the district court a
25 notice of the satisfaction of each obligation to the full
26 extent of the moneys collected in satisfaction of the
27 obligation. The clerk of the district court shall record the
28 notice and enter a satisfaction for the amounts collected.

29 EXPLANATION

30 This bill provides that county treasurers are to refuse to
31 renew a motor vehicle registration if the person seeking to
32 renew the registration has not paid victim restitution.
33 Currently, the grounds for refusing registration are where a
34 person has an outstanding arrest warrant for violations of
35 chapter 321 regarding the operation of a motor vehicle or a

1 local traffic ordinance. The bill also makes this change
2 applicable to counties with a population of 25,000 or more,
3 instead of 200,000, and provides that counties of less than
4 25,000 may adopt the provision by resolution of the board of
5 supervisors.

6 The bill also eliminates the provision that clerks of the
7 district court may charge a fee for accepting payments by
8 credit card and provides that all payments not made to the
9 clerk by credit card will be considered cash discount
10 payments.

11 The bill further provides that if a county attorney has not
12 filed a notice of commitment to collect delinquent amounts by
13 July 1 of each year, the judicial department may assign
14 collection of the amounts to the centralized collection unit
15 of the department of revenue and finance or its designee. The
16 department of revenue and finance is authorized to impose a
17 fee to cover the costs of collection which is to be added to
18 the debt collected and to adopt administrative rules to
19 provide for the payment of fees to the department or outside
20 collection entities. Under the bill, an outstanding
21 obligation to the clerk of the district court is not
22 considered satisfied in full until the entire amount and any
23 applicable fees and charges are paid in full.

24
25
26
27
28
29
30
31
32
33
34
35

**SENATE FILE 403
FISCAL NOTE**

A fiscal note for Senate File 403 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 403 provides that county treasurers are to refuse to renew a motor vehicle registration if the person seeking to renew the registration has not paid victim restitution, eliminates the provision that permits Clerks of the District Court to charge a fee for accepting payments by credit card, provides that all payments not made to the Clerk by credit card will be considered cash discount payments, and provides that if a county attorney has not filed a notice of commitment to collect delinquent amounts by July 1 of each year, the Judicial Department may assign collection of the amounts to the centralized collection unit of the Department of Revenue and Finance. The Bill permits the Department of Revenue and Finance to impose a fee.

Fiscal Effect

The improvement in collection tools will likely increase court-generated revenue. Because sufficient information is not available, an accurate estimate of the fiscal impact cannot be determined.

Sources: Judicial Department

(LSB 2274sv, LAM)

FILED MARCH 23, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 403

S-3190

1 Amend Senate File 403 as follows:

2 1. Page 2, by inserting after line 8 the
3 following:

4 "Sec. _____. Section 331.756, subsection 5,
5 unnumbered paragraph 4, Code 1995, is amended to read
6 as follows:

7 All fines, penalties, court costs, fees, and
8 restitution for court-appointed attorney fees or
9 expenses of a public defender which are delinquent as
10 defined in section 602.8107 may be collected by the
11 county attorney or the person procured or designated
12 by the county attorney. In order to receive a
13 percentage of the amounts collected pursuant to
14 section 602.8107, the county attorney must file
15 annually with the clerk of the district court on or
16 before July 1 a notice of full commitment to collect
17 delinquent obligations and must file on the first day
18 of each month a list of the cases in which the county
19 attorney or the person procured or designated by the
20 county attorney is pursuing the collection of
21 delinquent obligations. The annual notice shall
22 contain a list of procedures which will be initiated
23 by the county attorney. Amounts collected by the
24 county attorney or the person procured or designated
25 by the county attorney shall be distributed in
26 accordance with section 602.8107.

27 Sec. _____. Section 421.17, subsection 25,
28 unnumbered paragraph 1, Code 1995, is amended to read
29 as follows:

30 To establish and maintain a procedure to set off
31 against a debtor's income tax refund or rebate any
32 debt which is in the form of a liquidated sum due,
33 owing, and payable to the clerk of the district court
34 ~~as a civil penalty or restitution as defined and~~
35 ~~ordered under sections 910.1 and 910.2 incurred as a~~
36 ~~result of services provided under chapters 13B and~~
37 ~~815, and section 232.141.~~ The procedure shall meet
38 the following conditions:

39 Sec. _____. Section 421.17, subsection 25, paragraph
40 f, Code 1995, is amended to read as follows:

41 f. The department shall set off the debt ~~against,~~
42 ~~and deduct,~~ plus a fee established by rule to reflect
43 the cost of processing ~~from,~~ against the debtor's
44 income tax refund or rebate. The department shall
45 transfer ninety percent of the amount set off to the
46 treasurer of state for deposit in the general fund of
47 the state. The remaining ten percent shall be
48 remitted to the judicial department and used to defray
49 the costs of this procedure. If the debtor gives
50 timely written notice of intent to contest the amount

S-3190

S-3190

Page 2

1 of the claim, the department shall hold the refund or
2 rebate until final determination of the correct amount
3 of the claim."

4 2. Page 2, line 11, by inserting after the figure
5 "910.1" the following: "and all other fines,
6 penalties, fees, court costs, and surcharges owing and
7 payable to the clerk".

8 3. Page 2, by striking lines 19 through 22 and
9 inserting the following: "may be paid from receipts
10 collected by credit card."

11 4. Page 2, by inserting after line 22 the
12 following:

13 "Sec. ____ . Section 602.8107, subsection 4,
14 unnumbered paragraphs 1 and 2, Code 1995, are amended
15 to read as follows:

16 All fines, penalties, court costs, fees,
17 surcharges, and restitution for court-appointed
18 attorney fees or for expenses of a public defender
19 which are delinquent may be collected by the county
20 attorney or the county attorney's designee. Thirty-
21 five percent of the amounts collected by the county
22 attorney or the person procured or designated by the
23 county attorney shall be deposited in the general fund
24 of the county if the county attorney has filed the
25 notice required in section 331.756, subsection 5,
26 unless the county attorney has discontinued collection
27 efforts on a particular delinquent amount ~~and has~~
28 ~~transferred collection responsibilities to the~~
29 ~~department of revenue and finance.~~ The remainder
30 shall be paid to the clerk for distribution under
31 section 602.8108.

32 This subsection does not apply to amounts collected
33 for victim restitution, the victim compensation fund,
34 criminal penalty surcharge, or amounts collected as a
35 result of procedures initiated under subsection 5 or
36 under section 421.17, subsection 25."

37 5. Page 2, line 25, by striking the words "does
38 not file a" and inserting the following: "a does not
39 file the".

40 6. Page 2, lines 26 and 27, by striking the words
41 "of commitment to collect delinquent obligations
42 pursuant to" and inserting the following: "of
43 commitment-to-collect-delinquent-obligations-pursuant
44 to and list of cases required in".

45 7. By striking page 2, line 35, through page 3,
46 line 1, and inserting the following: "fund-of-the
47 state, the judicial department may assign".

48 8. Page 3, line 4, by inserting before the word
49 "debts" the following: "delinquent".

50 9. Page 3, by inserting after line 28 the

S-3190

-2-

S-3190

Page 3

1 following:

2 "Sec. _____. Section 666.6, Code 1995, is amended to
3 read as follows:

4 666.6 ANNUAL REPORT OF OUTSTANDING FINES,
5 PENALTIES, FORFEITURES, AND RECOGNIZANCES.

6 The clerk of the district court shall make an
7 annual report in writing to the state court
8 administrator no later than ~~January~~ August 15 of the
9 fines, penalties, forfeitures, and recognizances which
10 have not been paid, remitted, canceled, or otherwise
11 satisfied during the previous ~~calendar~~ fiscal year.

12 Sec. _____. EFFECTIVE DATE. This Act takes effect
13 January 1, 1996."

14 10. Title page, line 1, by inserting after the
15 word "payments" the following: "and providing an
16 effective date".

17 11. By renumbering as necessary.

By TOM VILSACK

S-3190 FILED MARCH 22, 1995

(p. 850) *Adopted*
3/23/95

1 Section 1. Section 321.40, unnumbered paragraph 4, Code
2 1995, is amended to read as follows:

3 The county treasurer shall refuse to renew the registration
4 of a vehicle registered to a person when notified that ~~there~~
5 ~~is-a-warrant-outstanding-for-that-person's-arrest-out-of-a~~ the
6 person has not paid restitution as defined under section
7 910.1, subsection 3, to the clerk of the court located within
8 ~~that county and-the-warrant-arises-out-of-the-alleged~~
9 ~~violation-of-a-provision-of-this-chapter-or-of-an-ordinance~~
10 ~~adopted-by-a-local-authority-relating-to-the-stopping,-parking~~
11 ~~or-operation-of-a-vehicle-or-the-regulation-of-traffic.~~ Each
12 clerk of court ~~in-this-state~~ subject to this section shall, by
13 the last day of each month, notify the county treasurer of
14 that county of all persons ~~against-whom-such-an-arrest-warrant~~
15 ~~has-been-issued-and-is-outstanding~~ who owe delinquent
16 restitution. Immediately upon the cancellation or
17 satisfaction of ~~such-an-arrest-warrant~~ the restitution the
18 clerk of court shall notify ~~the-person-against-whom-the-arrest~~
19 ~~warrant-was-issued-and~~ the county treasurer if that person's
20 name appeared on the last list furnished to the county
21 treasurer. This paragraph does not apply to the transfer of a
22 registration or the issuance of a new registration. The
23 provisions of this paragraph are applicable to counties with a
24 population of ~~two-hundred~~ twenty-five thousand or more. The
25 provisions of this paragraph shall be applicable to any county
26 with a population of less than ~~two-hundred~~ twenty-five
27 thousand upon the adoption of a resolution by the county board
28 of supervisors so providing.

29 Sec. 2. Section 321.236, subsection 1, paragraph c, Code
30 1995, is amended to read as follows:

31 c. If the local authority regulating the standing or
32 parking of vehicles under this subsection is located in a
33 county where the renewal of registration of a vehicle shall be
34 denied refused for outstanding-arrest-warrants unpaid
35 restitution under section 321.40, the simple notice of fine

1 under paragraph "a" ~~of this subsection~~ shall contain the
2 following statement:

3 "FAILURE TO PAY A JUDGMENT FOR A PARKING VIOLATION
4 RESTITUTION OWED BY YOU CAN BE GROUNDS FOR REFUSING TO RENEW
5 YOUR MOTOR VEHICLE'S REGISTRATION."

6 ~~This paragraph does not invalidate forms for notice of~~
7 ~~parking violations in existence prior to July 1, 1980.~~
8 ~~Existing forms may be used until supplies are exhausted.~~

9 Sec. 3. Section 331.756, subsection 5, unnumbered
10 paragraph 4, Code 1995, is amended to read as follows:

11 All fines, penalties, court costs, fees, and restitution
12 for court-appointed attorney fees or expenses of a public
13 defender which are delinquent as defined in section 602.8107
14 may be collected by the county attorney or the person procured
15 or designated by the county attorney. In order to receive a
16 percentage of the amounts collected pursuant to section
17 602.8107, the county attorney must file annually with the
18 clerk of the district court on or before July 1 a notice of
19 full commitment to collect delinquent obligations and must
20 file on the first day of each month a list of the cases in
21 which the county attorney or the person procured or designated
22 by the county attorney is pursuing the collection of
23 delinquent obligations. The annual notice shall contain a
24 list of procedures which will be initiated by the county
25 attorney. Amounts collected by the county attorney or the
26 person procured or designated by the county attorney shall be
27 distributed in accordance with section 602.8107.

28 Sec. 4. Section 421.17, subsection 25, unnumbered
29 paragraph 1, Code 1995, is amended to read as follows:

30 To establish and maintain a procedure to set off against a
31 debtor's income tax refund or rebate any debt which is in the
32 form of a liquidated sum due, owing, and payable to the clerk
33 of the district court as a civil penalty or restitution as
34 defined and ordered under sections 910.1 and 910.2 incurred as
35 a result of services provided under chapters 13B and 815, and

1 section-232-141. The procedure shall meet the following
2 conditions:

3 Sec. 5. Section 421.17, subsection 25, paragraph f, Code
4 1995, is amended to read as follows:

5 f. The department shall set off the debt against-and
6 deduct, plus a fee established by rule to reflect the cost of
7 processing from, against the debtor's income tax refund or
8 rebate. The department shall transfer ninety percent of the
9 amount set off to the treasurer of state for deposit in the
10 general fund of the state. The remaining ten percent shall be
11 remitted to the judicial department and used to defray the
12 costs of this procedure. If the debtor gives timely written
13 notice of intent to contest the amount of the claim, the
14 department shall hold the refund or rebate until final
15 determination of the correct amount of the claim.

16 Sec. 6. Section 602.8107, subsection 1, Code 1995, is
17 amended to read as follows:

18 1. Restitution as defined in section 910.1 and all other
19 finer, penalties, fees, court costs, and surcharges owing and
20 payable to the clerk shall be paid to the clerk of the
21 district court. All amounts collected shall be distributed
22 pursuant to sections 602.8106 and 602.8108 or as otherwise
23 provided by this Code. The clerk may accept payment of an
24 obligation or a portion thereof by credit card. The-clerk-may
25 charge-a-fee-to-reflect-the-additional-cost-of-processing-the
26 payment-by-credit-card. Any fees charged to the clerk with
27 respect to payment by credit card may be paid from receipts
28 collected by credit card.

29 Sec. 7. Section 602.8107, subsection 4, unnumbered
30 paragraphs 1 and 2, Code 1995, are amended to read as follows:

31 All fines, penalties, court costs, fees, surcharges, and
32 restitution for court-appointed attorney fees or for expenses
33 of a public defender which are delinquent may be collected by
34 the county attorney or the county attorney's designee.
35 Thirty-five percent of the amounts collected by the county

1 attorney or the person procured or designated by the county
2 attorney shall be deposited in the general fund of the county
3 if the county attorney has filed the notice required in
4 section 331.756, subsection 5, unless the county attorney has
5 discontinued collection efforts on a particular delinquent
6 amount and has transferred collection responsibilities to the
7 department of revenue and finance. The remainder shall be
8 paid to the clerk for distribution under section 602.8108.

9 This subsection does not apply to amounts collected for
10 victim restitution, the victim compensation fund, criminal
11 penalty surcharge, or amounts collected as a result of
12 procedures initiated under subsection 5 or under section
13 421.17, subsection 25.

14 Sec. 8. Section 602.8107, subsection 5, Code 1995, is
15 amended to read as follows:

16 5. If a county attorney ~~has not filed a~~ does not file the
17 notice of commitment to collect delinquent obligations
18 pursuant to and list of cases required in section 331.756,
19 subsection 5, or has transferred collection responsibility for
20 a particular delinquent amount to the department, the
21 department of revenue and finance or its designee may collect
22 delinquent fines, penalties, court costs, surcharges,
23 restitution for court appointed attorney fees, or expenses of
24 a public defender. From the amounts collected, the department
25 shall pay for the services of its designee and the remainder
26 shall be deposited in the general fund of the state, the
27 judicial department may assign obligations to the centralized
28 collection unit of the department of revenue and finance or
29 its designee to collect delinquent debts owed to the clerk of
30 the district court.

31 The department of revenue and finance may impose a fee
32 established by rule to reflect the cost of processing which
33 shall be added to the debt owed to the clerk of the district
34 court. Any amounts collected by the unit will first be
35 applied to the processing fee. The remaining amounts shall be

1 remitted to the clerk of the district court for the county in
2 which the debt is owed. The judicial department may prescribe
3 rules to implement this section. These rules may provide for
4 remittance of processing fees to the department of revenue and
5 finance or its designee.

6 ~~This subsection does not apply to amounts collected for~~
7 ~~victim restitution, the victim compensation fund, criminal~~
8 ~~penalty surcharge, or amounts collected as a result of~~
9 ~~procedures initiated under section 421.17, subsection 25.~~

10 Satisfaction of the outstanding obligation occurs only when
11 all fees or charges and the outstanding obligation are paid in
12 full. Payment of the outstanding obligation only shall not be
13 considered payment in full for satisfaction purposes.

14 The department of revenue and finance or its collection
15 designee shall file with the clerk of the district court a
16 notice of the satisfaction of each obligation to the full
17 extent of the moneys collected in satisfaction of the
18 obligation. The clerk of the district court shall record the
19 notice and enter a satisfaction for the amounts collected.

20 Sec. 9. Section 666.6, Code 1995, is amended to read as
21 follows:

22 666.6 ANNUAL REPORT OF OUTSTANDING FINES, PENALTIES,
23 FORFEITURES, AND RECOGNIZANCES.

24 The clerk of the district court shall make an annual report
25 in writing to the state court administrator no later than
26 January August 15 of the fines, penalties, forfeitures, and
27 recognizances which have not been paid, remitted, canceled, or
28 otherwise satisfied during the previous calendar fiscal year.

29 Sec. 10. EFFECTIVE DATE. This Act takes effect January 1,
30 1996.

31
32
33
34
35

Vilsack
Giannetto
Fraise
Redfern
Maddox

SSB-271
Judiciary

Succeeded By
SF/LF
SENATE FILE 403
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY
CHAIRPERSON GIANNETTO)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to collection of delinquent restitution payments.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

By ~~200002~~
3/1/92

1 Section ~~1~~ Section 321.40, unnumbered paragraph 4, Code
2 1995, is amended to read as follows:

3 The county treasurer shall refuse to renew the registration
4 of a vehicle registered to a person when notified that ~~there~~
5 ~~is-a-warrant-outstanding-for-that-person's-arrest-out-of-a~~ the
6 person has not paid restitution as defined under section
7 910.1, subsection 3, to the clerk of the court located within
8 ~~that county and-the-warrant-arises-out-of-the-alleged~~
9 ~~violation-of-a-provision-of-this-chapter-or-of-an-ordinance~~
10 ~~adopted-by-a-local-authority-relating-to-the-stopping,-parking~~
11 ~~or-operation-of-a-vehicle-or-the-regulation-of-traffic.~~ Each
12 clerk of court ~~in-this-state~~ subject to this section shall, by
13 the last day of each month, notify the county treasurer of
14 that county of all persons ~~against-whom-such-an-arrest-warrant~~
15 ~~has-been-issued-and-is-outstanding~~ who owe delinquent
16 restitution. Immediately upon the cancellation or
17 satisfaction of ~~such-an-arrest-warrant~~ the restitution the
18 clerk of court shall notify ~~the-person-against-whom-the-arrest~~
19 ~~warrant-was-issued-and~~ the county treasurer if that person's
20 name appeared on the last list furnished to the county
21 treasurer. This paragraph does not apply to the transfer of a
22 registration or the issuance of a new registration. The
23 provisions of this paragraph are applicable to counties with a
24 population of ~~two-hundred~~ twenty-five thousand or more. The
25 provisions of this paragraph shall be applicable to any county
26 with a population of less than ~~two-hundred~~ twenty-five
27 thousand upon the adoption of a resolution by the county board
28 of supervisors so providing.

29 Sec. 2. Section 321.236, subsection 1, paragraph c, Code
30 1995, is amended to read as follows:

31 c. If the local authority regulating the standing or
32 parking of vehicles under this subsection is located in a
33 county where the renewal of registration of a vehicle shall be
34 denied refused for outstanding-arrest-warrants unpaid
35 restitution under section 321.40, the simple notice of fine

1 under paragraph "a" of this subsection shall contain the
2 following statement:

3 "FAILURE TO PAY A JUDGMENT FOR A PARKING VIOLATION
4 RESTITUTION OWED BY YOU CAN BE GROUNDS FOR REFUSING TO RENEW
5 YOUR MOTOR VEHICLE'S REGISTRATION."

6 ~~This paragraph does not invalidate forms for notice of~~
7 ~~parking violations in existence prior to July 17, 1980.~~
8 ~~Existing forms may be used until supplies are exhausted.~~

9 Sec. 3. Section 602.8107, subsection 1, Code 1995, is
10 amended to read as follows:

11 1. Restitution as defined in section 910.1 shall be paid
12 to the clerk of the district court. All amounts collected
13 shall be distributed pursuant to sections 602.8106 and
14 602.8108 or as otherwise provided by this Code. The clerk may
15 accept payment of an obligation or a portion thereof by credit
16 card. ~~The clerk may charge a fee to reflect the additional~~
17 ~~cost of processing the payment by credit card.~~ Any fees
18 charged to the clerk with respect to payment by credit card
19 may be paid from receipts collected by credit card. For the
20 purpose of fee collection, all payments made to the clerk by a
21 means other than a credit card shall be considered cash
22 discount payments.

23 Sec. 4. Section 602.8107, subsection 5, Code 1995, is
24 amended to read as follows:

25 5. If a county attorney ~~has not filed~~ does not file a
26 notice of commitment to collect delinquent obligations
27 pursuant to section 331.756, subsection 5, ~~or has transferred~~
28 ~~collection responsibility for a particular delinquent amount~~
29 ~~to the department, the department of revenue and finance or~~
30 ~~its designee may collect delinquent fines, penalties, court~~
31 ~~costs, surcharges, restitution for court appointed attorney~~
32 ~~fees, or expenses of a public defender.~~ From the amounts
33 collected, the department shall pay for the services of its
34 designee and the remainder shall be deposited in the general
35 fund of the state with the clerk of the district court on or

1 before July 1 of each year, the judicial department may assign
2 obligations to the centralized collection unit of the
3 department of revenue and finance or its designee to collect
4 debts owed to the clerk of the district court.

5 The department of revenue and finance may impose a fee
6 established by rule to reflect the cost of processing which
7 shall be added to the debt owed to the clerk of the district
8 court. Any amounts collected by the unit will first be
9 applied to the processing fee. The remaining amounts shall be
10 remitted to the clerk of the district court for the county in
11 which the debt is owed. The judicial department may prescribe
12 rules to implement this section. These rules may provide for
13 remittance of processing fees to the department of revenue and
14 finance or its designee.

15 ~~This subsection does not apply to amounts collected for~~
16 ~~victim restitution, the victim compensation fund, criminal~~
17 ~~penalty surcharge, or amounts collected as a result of~~
18 ~~procedures initiated under section 421.17, subsection 25.~~
19 Satisfaction of the outstanding obligation occurs only when
20 all fees or charges and the outstanding obligation are paid in
21 full. Payment of the outstanding obligation only shall not be
22 considered payment in full for satisfaction purposes.

23 The department of revenue and finance or its collection
24 designee shall file with the clerk of the district court a
25 notice of the satisfaction of each obligation to the full
26 extent of the moneys collected in satisfaction of the
27 obligation. The clerk of the district court shall record the
28 notice and enter a satisfaction for the amounts collected.

29

EXPLANATION

30 This bill provides that county treasurers are to refuse to
31 renew a motor vehicle registration if the person seeking to
32 renew the registration has not paid victim restitution.
33 Currently, the grounds for refusing registration are where a
34 person has an outstanding arrest warrant for violations of
35 chapter 321 regarding the operation of a motor vehicle or a

1 local traffic ordinance. The bill also makes this change
2 applicable to counties with a population of 25,000 or more,
3 instead of 200,000, and provides that counties of less than
4 25,000 may adopt the provision by resolution of the board of
5 supervisors.

6 The bill also eliminates the provision that clerks of the
7 district court may charge a fee for accepting payments by
8 credit card and provides that all payments not made to the
9 clerk by credit card will be considered cash discount
10 payments.

11 The bill further provides that if a county attorney has not
12 filed a notice of commitment to collect delinquent amounts by
13 July 1 of each year, the judicial department may assign
14 collection of the amounts to the centralized collection unit
15 of the department of revenue and finance or its designee. The
16 department of revenue and finance is authorized to impose a
17 fee to cover the costs of collection which is to be added to
18 the debt collected and to adopt administrative rules to
19 provide for the payment of fees to the department or outside
20 collection entities. Under the bill, an outstanding
21 obligation to the clerk of the district court is not
22 considered satisfied in full until the entire amount and any
23 applicable fees and charges are paid in full.

24
25
26
27
28
29
30
31
32
33
34
35

SENATE FILE 403

AN ACT

RELATING TO COLLECTION OF DELINQUENT RESTITUTION PAYMENTS
AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 321.40, unnumbered paragraph 4, Code 1995, is amended to read as follows:

The county treasurer shall refuse to renew the registration of a vehicle registered to a person when notified that ~~there is a warrant outstanding for that person's arrest out of a~~ the person has not paid restitution as defined under section 910.1, subsection 3, to the clerk of the court located within that county and the warrant arises out of the alleged violation of a provision of this chapter or of an ordinance adopted by a local authority relating to the stopping, parking or operation of a vehicle or the regulation of traffic. Each clerk of court ~~in this state~~ subject to this section shall, by the last day of each month, notify the county treasurer of that county of all persons ~~against whom such an arrest warrant has been issued and is outstanding~~ who owe delinquent restitution. Immediately upon the cancellation or satisfaction of ~~such an arrest warrant~~ the restitution the clerk of court shall notify ~~the person against whom the arrest warrant was issued~~ and the county treasurer if that person's name appeared on the last list furnished to the county treasurer. This paragraph does not apply to the transfer of a registration or the issuance of a new registration. The provisions of this paragraph are applicable to counties with a population of ~~two hundred~~ twenty-five thousand or more. The provisions of this paragraph shall be applicable to any county with a population of less than ~~two hundred~~ twenty-five thousand upon the adoption of a resolution by the county board

of supervisors so providing.

Sec. 2. Section 321.236, subsection 1, paragraph c, Code 1995, is amended to read as follows:

c. If the local authority regulating the standing or parking of vehicles under this subsection is located in a county where the renewal of registration of a vehicle shall be denied refused for outstanding arrest warrants unpaid restitution under section 321.40, the simple notice of fine under paragraph "a" ~~of this subsection~~ shall contain the following statement:

"FAILURE TO PAY A JUDGMENT FOR A PARKING VIOLATION
RESTITUTION OWED BY YOU CAN BE GROUNDS FOR REFUSING TO RENEW YOUR MOTOR VEHICLE'S REGISTRATION."

~~This paragraph does not invalidate forms for notice of parking violations in existence prior to July 1, 1988. Existing forms may be used until supplies are exhausted.~~

Sec. 3. Section 331.756, subsection 5, unnumbered paragraph 4, Code 1995, is amended to read as follows:

All fines, penalties, court costs, fees, and restitution for court-appointed attorney fees or expenses of a public defender which are delinquent as defined in section 602.8107 may be collected by the county attorney or the person procured or designated by the county attorney. In order to receive a percentage of the amounts collected pursuant to section 602.8107, the county attorney must file annually with the clerk of the district court on or before July 1 a notice of full commitment to collect delinquent obligations and must file on the first day of each month a list of the cases in which the county attorney or the person procured or designated by the county attorney is pursuing the collection of delinquent obligations. The annual notice shall contain a list of procedures which will be initiated by the county attorney. Amounts collected by the county attorney or the person procured or designated by the county attorney shall be distributed in accordance with section 602.8107.

Sec. 4. Section 421.17, subsection 25, unnumbered paragraph 1, Code 1995, is amended to read as follows:

To establish and maintain a procedure to set off against a debtor's income tax refund or rebate any debt which is in the form of a liquidated sum due, owing, and payable to the clerk of the district court ~~as a civil penalty or restitution as defined and ordered under sections 910.1 and 910.2 incurred as a result of services provided under chapters 13B and 815, and section 232.141.~~ The procedure shall meet the following conditions:

Sec. 5. Section 421.17, subsection 25, paragraph f, Code 1995, is amended to read as follows:

f. The department shall set off the debt against, and deduct, plus a fee established by rule to reflect the cost of processing ~~from, against~~ the debtor's income tax refund or rebate. The department shall transfer ninety percent of the amount set off to the treasurer of state for deposit in the general fund of the state. The remaining ten percent shall be remitted to the judicial department and used to defray the costs of this procedure. If the debtor gives timely written notice of intent to contest the amount of the claim, the department shall hold the refund or rebate until final determination of the correct amount of the claim.

Sec. 6. Section 602.8107, subsection 1, Code 1995, is amended to read as follows:

1. Restitution as defined in section 910.1 and all other fines, penalties, fees, court costs, and surcharges owing and payable to the clerk shall be paid to the clerk of the district court. All amounts collected shall be distributed pursuant to sections 602.8106 and 602.8108 or as otherwise provided by this Code. The clerk may accept payment of an obligation or a portion thereof by credit card. ~~The clerk may charge a fee to reflect the additional cost of processing the payment by credit card.~~ Any fees charged to the clerk with respect to payment by credit card may be paid from receipts collected by credit card.

Sec. 7. Section 602.8107, subsection 4, unnumbered paragraphs 1 and 2, Code 1995, are amended to read as follows:

All fines, penalties, court costs, fees, surcharges, and restitution for court-appointed attorney fees or for expenses of a public defender which are delinquent may be collected by the county attorney or the county attorney's designee. Thirty-five percent of the amounts collected by the county attorney or the person procured or designated by the county attorney shall be deposited in the general fund of the county if the county attorney has filed the notice required in section 331.756, subsection 5, unless the county attorney has discontinued collection efforts on a particular delinquent amount ~~and has transferred collection responsibilities to the department of revenue and finance.~~ The remainder shall be paid to the clerk for distribution under section 602.8108.

This subsection does not apply to amounts collected for victim restitution, the victim compensation fund, criminal penalty surcharge, or amounts collected as a result of procedures initiated under subsection 5 or under section 421.17, subsection 25.

Sec. 8. Section 602.8107, subsection 5, Code 1995, is amended to read as follows:

5. If a county attorney ~~has not filed a~~ does not file the notice of commitment to collect delinquent obligations pursuant to and list of cases required in section 331.756, subsection 5, ~~or has transferred collection responsibility for a particular delinquent amount to the department, the department of revenue and finance or its designee may collect delinquent fines, penalties, court costs, surcharges, restitution for court-appointed attorney fees, or expenses of a public defender.~~ ~~From the amounts collected, the department shall pay for the services of its designee and the remainder shall be deposited in the general fund of the state, the~~ judicial department may assign obligations to the centralized collection unit of the department of revenue and finance or

its designee to collect delinquent debts owed to the clerk of the district court.

The department of revenue and finance may impose a fee established by rule to reflect the cost of processing which shall be added to the debt owed to the clerk of the district court. Any amounts collected by the unit will first be applied to the processing fee. The remaining amounts shall be remitted to the clerk of the district court for the county in which the debt is owed. The judicial department may prescribe rules to implement this section. These rules may provide for remittance of processing fees to the department of revenue and finance or its designee.

~~This subsection does not apply to amounts collected for victim restitution, the victim compensation fund, criminal penalty surcharge, or amounts collected as a result of procedures initiated under section 421:17, subsection 25.~~
Satisfaction of the outstanding obligation occurs only when all fees or charges and the outstanding obligation are paid in full. Payment of the outstanding obligation only shall not be considered payment in full for satisfaction purposes.

The department of revenue and finance or its collection designee shall file with the clerk of the district court a notice of the satisfaction of each obligation to the full extent of the moneys collected in satisfaction of the obligation. The clerk of the district court shall record the notice and enter a satisfaction for the amounts collected.

Sec. 9. Section 666.6, Code 1995, is amended to read as follows:

666.6 ANNUAL REPORT OF OUTSTANDING FINES, PENALTIES, FORFEITURES, AND RECOGNIZANCES.

The clerk of the district court shall make an annual report in writing to the state court administrator no later than January August 15 of the fines, penalties, forfeitures, and recognizances which have not been paid, remitted, canceled, or otherwise satisfied during the previous calendar fiscal year.

Sec. 10. EFFECTIVE DATE. This Act takes effect January 1, 1996.

LEONARD L. BOSWELL
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 403, Seventy-sixth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved May 4, 1995

TERRY E. BRANSTAD
Governor