

House File 2344 - Introduced

HOUSE FILE 2344

BY HEATON

A BILL FOR

1 An Act to allow a person to pay restitution, delinquent court
2 debt, and certain debts owed to or being collected by the
3 state to a county treasurer in conjunction with renewal of a
4 vehicle registration and providing a fee.

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

1 Section 1. Section 321.40, subsection 4, Code Supplement
2 2009, is amended to read as follows:

3 4. a. The county treasurer shall refuse to renew the
4 registration of a vehicle registered to a person when notified
5 by the department through the distributed teleprocessing
6 network that the person has not paid restitution as defined
7 under section 910.1, subsection 4, to a clerk of the court
8 located within the state. Each clerk of court shall, on a
9 daily basis, notify the department through the Iowa court
10 information system of the full name, and social security
11 number, and amount due for restitution, including all
12 applicable fees and penalties, of all persons who owe
13 delinquent restitution and the full name and social security
14 number, if applicable, of all persons whose restitution
15 obligation has been satisfied or canceled. This subsection
16 does not apply to the transfer of a registration or the
17 issuance of a new registration.

18 b. The county treasurer of the county of the person's
19 residence and in which the person's vehicle is registered
20 may collect restitution on behalf of a clerk of the district
21 court located within the state from a person applying for
22 renewal of a vehicle registration. The applicant may remit the
23 amount due for restitution along with a processing fee of five
24 dollars to the county treasurer at the time of registration
25 renewal. Upon payment of the required restitution, the
26 processing fee, and the vehicle registration fee, the county
27 treasurer shall issue the registration to the person. A county
28 treasurer collecting restitution for a clerk of the district
29 court shall update vehicle records on a daily basis through
30 the distributed teleprocessing network for all persons whose
31 restitution obligations have been satisfied or canceled by the
32 county treasurer. On a monthly basis, the county treasurer
33 shall forward all restitution funds collected to the department
34 of revenue for disbursement to the respective clerks of the
35 district court where the plans of restitution were filed.

1 Sec. 2. Section 321.40, subsection 6, Code Supplement 2009,
2 is amended to read as follows:

3 6. a. The department or the county treasurer shall refuse
4 to renew the registration of a vehicle registered to the
5 applicant if the department or the county treasurer knows that
6 the applicant has a delinquent account, charge, fee, loan,
7 taxes, or other indebtedness owed to or being collected by the
8 state, from information provided pursuant to sections 8A.504
9 and 421.17. An applicant may contest this action by requesting
10 a contested case proceeding from the agency that referred the
11 debt for collection pursuant to section 8A.504. The department
12 of revenue and the department of transportation shall notify
13 the county treasurers through the distributed teleprocessing
14 network of all persons who owe such a charge, fee, loan, taxes,
15 or other indebtedness.

16 b. The county treasurer of the county of the person's
17 residence and in which the person's vehicle is registered may
18 collect a charge, fee, loan, taxes, or other indebtedness owed
19 to or being collected by the state from a person applying
20 for renewal of a vehicle registration. The applicant may
21 remit full payment of the charge, fee, loan, taxes, or other
22 indebtedness including applicable fees and penalties, along
23 with a processing fee of five dollars, to the county treasurer
24 at the time of registration renewal. Upon full payment of
25 the required charge, fee, loan, taxes, or other indebtedness
26 including applicable fees and penalties, the processing fee,
27 and the vehicle registration fee, the county treasurer shall
28 issue the registration to the person. A county treasurer
29 collecting on behalf of the department of revenue shall update
30 the vehicle registration records through the distributed
31 teleprocessing network on a daily basis for all persons
32 whose charge, fee, loan, taxes, or other debt payable to the
33 department of revenue has been satisfied or canceled by the
34 county treasurer. On a monthly basis, a county treasurer shall
35 forward all funds collected for the department of revenue to

1 the department of revenue.

2 Sec. 3. Section 321.40, subsection 9, Code Supplement 2009,
3 is amended by adding the following new paragraph:

4 NEW PARAGRAPH. c. Notwithstanding paragraph "a", the county
5 treasurer of the county of the person's residence and in which
6 the person's vehicle is registered may collect delinquent court
7 debt on behalf of a clerk of the district court located within
8 the state from a person applying for renewal of a vehicle
9 registration, unless the clerk of the district court notifies
10 the county treasurer that the person's debt must be paid in
11 person to the clerk of the district court. The clerk of the
12 district court shall, on a daily basis, notify the department
13 through the Iowa court information system of the amount of
14 payment required from a person identified under paragraph "a"
15 in order to allow the person to renew a vehicle registration.
16 The applicant may remit payment of the amount required by
17 the clerk of the district court along with a processing
18 fee of five dollars to the county treasurer at the time of
19 registration renewal. Upon payment of the amount required by
20 the clerk of the district court, the processing fee, and the
21 vehicle registration fee, the county treasurer shall issue the
22 registration to the person. A county treasurer collecting
23 delinquent court debt for the clerk of the district court shall
24 update vehicle records on a daily basis through the distributed
25 teleprocessing network for all persons whose court debts have
26 been satisfied or canceled by the county treasurer and transfer
27 the court debt funds collected under this paragraph to the
28 clerk of the district court.

29 Sec. 4. Section 321.152, Code 2009, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 2A. The five dollar processing fee charged
32 by a county treasurer for collection of restitution pursuant to
33 section 321.40, subsection 4; the collection of debts payable
34 to the department of revenue pursuant to section 321.40,
35 subsection 6; or the collection of debt owed to a clerk of the

1 district court pursuant to section 321.40, subsection 9, shall
2 be retained for deposit in the county general fund.

3 Sec. 5. Section 321.153, Code 2009, is amended to read as
4 follows:

5 **321.153 Treasurer's report to department.**

6 1. The county treasurer on the tenth day of each month shall
7 certify to the department a full and complete statement of all
8 fees and penalties received by the county treasurer during
9 the preceding calendar month and shall remit all moneys not
10 retained for deposit under section 321.152 to the treasurer of
11 state.

12 2. The distributed teleprocessing network shall be used
13 in the collection, receipting, accounting, and reporting of
14 any fee collected through the registration renewal or title
15 process, with sufficient time and financial resources provided
16 for implementation.

17 3. This section does not apply to fees collected or retained
18 by a county treasurer pursuant to participation in county
19 issuance of driver's licenses under chapter 321M.

20 4. This section does not apply to processing fees charged by
21 a county treasurer for collection of restitution pursuant to
22 section 321.40, subsection 4; the collection of debts payable
23 to the department of revenue pursuant to section 321.40,
24 subsection 6; or the collection of court debt owed to a clerk
25 of the district court pursuant to section 321.40, subsection 9.

26 EXPLANATION

27 This bill expands the ability of county treasurers to
28 collect certain moneys owed to a district court or the state
29 from persons applying for renewal of a vehicle registration.

30 Currently, a treasurer is required to refuse registration
31 renewal if the treasurer is notified by the department of
32 transportation that the applicant has not paid restitution
33 to a clerk of court in the state. The applicant must remit
34 the restitution directly to the clerk of court before the
35 vehicle registration can be renewed. The bill allows the

1 county treasurer to collect the restitution from the applicant
2 and to then renew the registration. The county treasurer is
3 required to update the vehicle records through the distributed
4 teleprocessing network on a daily basis for persons whose
5 restitution obligations have been satisfied or canceled by
6 the county treasurer and forward all restitution funds to the
7 department of revenue on a monthly basis for distribution to
8 the applicable clerks of court.

9 Current law requires a county treasurer to refuse to renew
10 a vehicle registration if the treasurer knows that the person
11 has a delinquent account, charge, fee, loan, taxes, or other
12 indebtedness owed to or being collected by the state. The
13 person has to address the debt before the county treasurer
14 can renew the registration of the person's vehicle. The bill
15 provides a process for collection of such debts by the county
16 treasurer on behalf of the department of revenue. The county
17 treasurer may collect the amount owed prior to issuing the
18 registration renewal. The treasurer is required to update the
19 vehicle records through the distributed teleprocessing network
20 on a daily basis for persons whose debts have been satisfied
21 or canceled by the county treasurer and forward the amounts
22 collected to the department of revenue on a monthly basis.

23 Current law also requires the county treasurer to refuse
24 to renew a vehicle registration for an applicant who owes
25 delinquent court debt that is being collected by a county
26 attorney. However, if the person enters into a payment plan
27 satisfactory to the county attorney, the county treasurer
28 may temporarily lift the registration hold and renew the
29 applicant's vehicle registration. The bill allows the county
30 treasurer to collect delinquent court debt on behalf of a clerk
31 of the district court in the state and renew the applicant's
32 vehicle registration, unless the treasurer is notified that
33 the debt must be paid in person to the clerk of court. The
34 clerk of court is required to provide daily notification to the
35 department of transportation through the Iowa court information

1 system of the amount of payment required before the applicant's
2 registration can be renewed. The county treasurer is required
3 to update the vehicle records through the distributed
4 teleprocessing network on a daily basis for persons whose court
5 debts have been satisfied or canceled by the county treasurer
6 and transfer the funds collected to the clerk of court.

7 If an applicant for renewal of a vehicle registration
8 chooses to make payment to the county treasurer for restitution
9 owed to the court; for a charge, fee, loan, taxes, or other
10 indebtedness owed to the state; or for delinquent court debt
11 owed to the clerk of the district court, the applicant is
12 required to pay a \$5 processing fee to the county treasurer,
13 which is to be deposited in the county general fund.