

**Senate Study Bill 1146 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON DAWSON)

**A BILL FOR**

1 An Act relating to certain financial obligations, including  
2 under the consumer credit code, and including under the  
3 criminal and juvenile justice system by modifying criminal  
4 and civil surcharges, fines, fees, costs, and court debt,  
5 providing civil penalties, and including effective date and  
6 retroactive applicability provisions.  
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 537.1301, subsection 12, Code 2021, is  
2 amended to read as follows:

3 12. "*Consumer credit transaction*" means a consumer credit  
4 sale or consumer loan, or a refinancing or consolidation  
5 thereof, or a consumer lease, or a consumer rental purchase  
6 agreement. "Consumer credit transaction" does not include  
7 goods, services, or any other benefits provided by or on behalf  
8 of the state or a state agency.

9 Sec. 2. Section 602.8105, subsection 2, paragraph h, Code  
10 2021, is amended to read as follows:

11 h. For applicable convictions under [section 692A.110](#) prior  
12 ~~to July 1, 2009, a civil penalty of two hundred ten dollars,~~  
13 ~~and for applicable convictions under [section 692A.110](#) on or~~  
14 ~~after July 1, 2009~~ June 25, 2020, a civil penalty of two  
15 hundred sixty dollars.

16 Sec. 3. Section 602.8106, subsection 1, Code 2021, is  
17 amended by adding the following new paragraph:

18 NEW PARAGRAPH. i. For submitting a dishonored check for the  
19 payment of any court debt, thirty dollars.

20 Sec. 4. Section 602.8107, subsection 1, paragraph a, Code  
21 2021, is amended to read as follows:

22 a. "*Court debt*" means all restitution as defined in section  
23 910.1, fees, and forfeited bail, and other debt paid to or  
24 collected by the clerk of the district court.

25 Sec. 5. Section 602.8107, subsection 3, Code 2021, is  
26 amended to read as follows:

27 3. *Collection by department of revenue.*

28 a. ~~(1)~~ Thirty days after court debt has been assessed  
29 and full payment has not been received, or if an installment  
30 payment is not received within thirty days after the date it is  
31 due, the judicial branch shall assign a case to the department  
32 of revenue, unless the case has been assigned to the county  
33 attorney under paragraph "~~e~~" "d".

34 ~~(2) The department of revenue may impose a fee established~~  
35 ~~by rule to reflect the cost of processing which shall be added~~

1 ~~to the debt owed to the clerk of the district court.~~

2     ~~b. (1) In addition, court debt which is being collected~~  
3 ~~under an installment agreement pursuant to section 321.210B~~  
4 ~~which is in default that remains delinquent shall remain~~  
5 ~~assigned to the department of revenue if the installment~~  
6 ~~agreement was executed with the department of revenue; or~~  
7 ~~to the county attorney or county attorney's designee if the~~  
8 ~~installment agreement was executed with the county attorney~~  
9 ~~or county attorney's designee~~ The department of revenue shall  
10 receive fifteen percent of all court debt payments collected on  
11 cases assigned to the department of revenue for collection to  
12 reflect the cost of processing, with the remainder of the court  
13 debt to be collected by the clerk of the district court for  
14 distribution in accordance with applicable law. The department  
15 of revenue shall not receive payment pursuant to this paragraph  
16 from any court debt collected that is payable to a crime victim  
17 as pecuniary damages until after the clerk of the district  
18 court has received the entirety of the court debt payable to  
19 the crime victim as pecuniary damages.

20     (2) Payments made by a person under subparagraph (1) between  
21 January 1, 2021, and the effective date of this Act which added  
22 the department of revenue processing fee to the debt owed to  
23 the clerk of the district court pursuant to section 602.8107,  
24 subsection 3, paragraph "a", subparagraph (2), Code 2021,  
25 shall be calculated as if the payment had been made pursuant  
26 to subparagraph (1) and the department's fee in subparagraph  
27 (1) shall be applied to such a payment. The department of  
28 revenue processing fee added to the debt shall be deducted from  
29 the amount of court debt owed to the clerk of the district  
30 court. If a payment made by a person owing court debt between  
31 January 1, 2021, and the effective date of this Act reduces  
32 the total amount of court debt owed to zero, the department  
33 of revenue shall issue a refund to the person in the amount  
34 attributable to the processing fee added to the court debt.  
35 This subparagraph is repealed on January 1, 2023.

1 c. The centralized debt collection facilities of the  
2 department of revenue established pursuant to section 421.17,  
3 subsection 27, shall collect court debt assigned to the  
4 department of revenue pursuant to this section.

5 ~~c.~~ d. Thirty days after court debt has been assessed  
6 and full payment has not been received, or if an installment  
7 payment is not received within thirty days after the date it  
8 is due, and if a county attorney has filed with the clerk  
9 of the district court a notice of full commitment to collect  
10 delinquent court debt pursuant to [subsection 4](#), the case shall  
11 be assigned to the county attorney as provided in [subsection 4](#).  
12 The judicial branch shall assign cases with delinquent court  
13 debt to a county attorney in the same format and with the same  
14 frequency as cases with delinquent court debt are assigned to  
15 the department of revenue under paragraph "a", and a county  
16 attorney shall not be required to file an individual notice  
17 of full commitment to collect delinquent court debt for each  
18 assigned case. If the county attorney or the county attorney's  
19 designee, while collecting delinquent court debt pursuant to  
20 subsection 4, determines that a person owes additional court  
21 debt for which a case has not been assigned by the judicial  
22 branch, the county attorney or the county attorney's designee  
23 shall notify the clerk of the district court of the appropriate  
24 case numbers and the judicial branch shall assign these cases  
25 to the county attorney for collection if the additional court  
26 debt is delinquent.

27 Sec. 6. Section 602.8107, subsection 4, paragraph a, Code  
28 2021, is amended to read as follows:

29 a. This subsection does not apply to amounts collected  
30 for restitution involving pecuniary damages, the victim  
31 compensation fund, the crime services surcharge, ~~sex offender~~  
32 ~~civil penalty~~ the human trafficking victim surcharge, domestic  
33 abuse assault, domestic abuse protective order contempt,  
34 sexual abuse, stalking, the human trafficking surcharge, the  
35 agricultural theft surcharge, or amounts collected as a result

1 ~~of procedures initiated under subsection 5~~ the sex offender  
2 civil penalty, or under section 8A.504.

3 Sec. 7. Section 602.8107, subsection 5, Code 2021, is  
4 amended by striking the subsection and inserting in lieu  
5 thereof the following:

6 5. *Uncollectible debt.*

7 a. Court debt that has been assigned to the department of  
8 revenue for collection pursuant to subsection 3 may be charged  
9 off from active collection by the director of the department of  
10 revenue if either of the following conditions exist:

11 (1) The person owing the court debt is deceased and there  
12 are no assets in the person's estate or there are no assets  
13 available for the payment of court debt under section 633.425.

14 (2) The person owing the court debt cannot be located  
15 after diligent inquiry and the director of the department of  
16 revenue determines the department will not be able to locate  
17 the person.

18 b. Court debt for any of the following shall not be charged  
19 off until sixty-five years from the date of imposition:

20 (1) Victim restitution.

21 (2) Victim compensation.

22 (3) A criminal penalty surcharge.

23 (4) A sex offender civil penalty.

24 (5) A drug abuse resistance education surcharge.

25 (6) A law enforcement initiative surcharge.

26 (7) A county enforcement surcharge.

27 (8) Fees charged pursuant to section 356.7.

28 c. Debt that is charged off shall remain due and owing, but  
29 the judicial branch shall close the corresponding case file for  
30 the purposes of collection pursuant to this section.

31 Sec. 8. Section 692A.110, subsection 2, Code 2021, is  
32 amended to read as follows:

33 2. In addition to any other penalty, at the time of  
34 conviction for a public offense committed on or after July 1,  
35 1995, which requires a sex offender to register under this

1 chapter, the offender shall be assessed a civil penalty of two  
2 hundred dollars, to be payable to the clerk of the district  
3 court as provided in [section 602.8105](#) and distributed as  
4 provided in [section 602.8108](#). With respect to a conviction  
5 for a public offense committed on or after July 1, 2009, which  
6 requires a sex offender to register under [this chapter](#), the  
7 offender shall be assessed a civil penalty of two hundred fifty  
8 dollars, payable to the clerk of the district court as provided  
9 in [section 602.8105](#) and distributed as provided in section  
10 602.8108.

11 Sec. 9. Section 910.3, subsection 8, Code 2021, is amended  
12 to read as follows:

13 8. The court shall enter a permanent restitution order  
14 setting out the amount of restitution including the amount of  
15 public service to be performed as restitution and the persons  
16 to whom restitution must be paid. A permanent restitution  
17 order entered at the time of sentencing is part of the final  
18 judgment of sentence as defined in [section 814.6](#) and shall  
19 be considered in a properly perfected appeal. An appellate  
20 court shall not review or modify any issue related to a  
21 defendant's ability to pay unless the defendant has exhausted  
22 the defendant's remedies under section 910.7 and obtained a  
23 ruling from the district court prior to the issue being raised  
24 in the appellate court.

25 Sec. 10. Section 911.2B, Code 2021, is amended to read as  
26 follows:

27 **911.2B Domestic abuse assault, domestic abuse protective**  
28 **order contempt, and sexual abuse, stalking, and human trafficking**  
29 **crimes surcharge.**

30 1. In addition to any other surcharge, the court shall  
31 assess a domestic abuse assault, domestic abuse protective  
32 order contempt, sexual abuse, stalking, and human trafficking  
33 victim surcharge of ninety dollars if an adjudication of guilt  
34 or a deferred judgment has been entered for a violation of  
35 section 708.2A, [708.11](#), or [710A.2](#), or [chapter 709](#), or if a

1 defendant is held in contempt of court for violating a domestic  
2 abuse protective order issued pursuant to [chapter 236](#).

3 2. In the event of multiple offenses, the surcharge shall be  
4 imposed for each applicable offense.

5 3. The surcharge shall be remitted by the clerk of court as  
6 provided in [section 602.8108, subsection 6](#).

7 Sec. 11. RESCISSION OF ADMINISTRATIVE RULES. Contingent  
8 on the passage of the section of this Act amending section  
9 602.8107, subsection 3, paragraph "a", the following  
10 administrative rule is rescinded:

11 Iowa administrative code rule 701—155.1(602).

12 Sec. 12. EFFECTIVE DATE. The following, being deemed of  
13 immediate importance, take effect upon enactment:

14 1. The section of this Act amending section 602.8105,  
15 section 2, paragraph "h".

16 2. The section of this Act amending section 602.8107,  
17 subsection 3.

18 Sec. 13. RETROACTIVE APPLICABILITY. The following applies  
19 retroactively to January 1, 2021, for collected delinquent  
20 court debt:

21 The section of this Act amending section 602.8107,  
22 subsection 3.

23 Sec. 14. RETROACTIVE APPLICABILITY. The following applies  
24 retroactively to June 25, 2020:

25 The section of this Act amending section 602.8105,  
26 subsection 2, paragraph "h".

27 EXPLANATION

28 The inclusion of this explanation does not constitute agreement with  
29 the explanation's substance by the members of the general assembly.

30 This bill relates to certain financial obligations,  
31 including under the consumer credit code, and including under  
32 the criminal and juvenile justice system by modifying criminal  
33 and civil surcharges, fines, fees, costs, and court debt.

34 The bill provides that a "consumer credit transaction" does  
35 not include goods, services, or any other benefits provided by

1 or on behalf of the state or a state agency for purposes of the  
2 consumer credit code under Code chapter 537.

3 The bill provides that the clerk of the district court  
4 shall collect, for applicable convictions that occur under  
5 Code section 692A.110 (registration fees and civil penalty for  
6 sex offenders) on or after June 25, 2020, a civil penalty of  
7 \$260. The bill makes a conforming Code change to Code section  
8 692A.110(2).

9 The bill provides that the clerk of the district court shall  
10 collect a dishonored check fee of \$30 submitted for the payment  
11 of any court debt.

12 The bill amends the definition of "court debt" to mean all  
13 restitution as defined in Code section 910.1, fees, forfeited  
14 bail, and other debt paid to or collected by the clerk of  
15 the district court. "Restitution" means pecuniary damages,  
16 category "A" restitution, and category "B" restitution.

17 The bill provides that the department of revenue shall  
18 receive 15 percent of all court debt payments collected on  
19 cases assigned to the department of revenue for collection  
20 to reflect the cost of processing, with the remainder of the  
21 court debt to be collected by the clerk of the district court  
22 for distribution in accordance with applicable law. The  
23 department of revenue shall not receive payment from any court  
24 debt collected that is payable to a crime victim as pecuniary  
25 damages until after the clerk of the district court has  
26 received the entirety of the court debt payable to the crime  
27 victim as pecuniary damages. Payments made by a person between  
28 January 1, 2021, and the effective date of the bill shall be  
29 calculated as if the payment had been made pursuant to Code  
30 section 602.8107(3)(a)(2), Code 2021, and the department's fee  
31 shall be applied to such a payment. The department of revenue  
32 fee added to the court debt shall be deducted from the amount  
33 of court debt owed to the clerk of the district court. If a  
34 payment made by a person owing court debt between January 1,  
35 2021, and the effective date of the bill reduces the total



1 amount of court debt owed to zero, the department of revenue  
2 shall issue a refund to the person in the amount attributable  
3 to the processing fee added to the court debt. Code section  
4 602.8107(3)(b)(2) is repealed on January 1, 2023.

5 Current law allows the county attorney or the county  
6 attorney's designee to collect a percentage of court debt  
7 collected after the court debt is deemed delinquent, but not  
8 for amounts collected for restitution involving pecuniary  
9 damages, the victim compensation fund, the crime services  
10 surcharge, the sex offender civil penalty, the agricultural  
11 theft surcharge, or amounts collected as a result of written  
12 off or setoff debt. The bill amends debts for which the county  
13 attorney is not entitled to include amounts collected for the  
14 human trafficking victim surcharge, domestic abuse assault,  
15 domestic abuse protective order contempt, sexual abuse,  
16 stalking, and a human trafficking surcharge.

17 The bill provides that court debt that has been assigned  
18 to the department of revenue for collection may be charged  
19 off from active collection by the director of the department  
20 of revenue if the person owing the court debt is deceased  
21 and there are no assets in the person's estate or there are  
22 no assets available for the payment of court debt under Code  
23 section 633.425 or the person owing the court debt cannot be  
24 found after diligent inquiry and the director of the department  
25 of revenue determines the department will not be able to locate  
26 the person owing the court debt.

27 Court debt for any of the following shall not be charged  
28 off until 65 years after the date of imposition: victim  
29 restitution, the victim compensation fund, a criminal  
30 penalty surcharge, a sex offender civil penalty, a drug abuse  
31 resistance education surcharge, a law enforcement initiative  
32 surcharge, a county enforcement surcharge, or fees charged  
33 pursuant to Code section 356.7. Charged off debts shall  
34 remain due and owing, but the judicial branch shall close the  
35 corresponding case file for the purposes of uncollectable debt

1 pursuant to the bill.

2 The county attorney or the county attorney's designee may  
3 collect court debt after the court debt is deemed delinquent;  
4 however, the provision does not apply to amounts collected  
5 for restitution involving pecuniary damages, the victim  
6 compensation fund, the crime victim surcharge, the human  
7 trafficking victim surcharge, domestic abuse assault, domestic  
8 abuse protective order contempt, sexual abuse, the human  
9 trafficking surcharge, the agricultural theft surcharge, the  
10 sex offender civil penalty, or under Code section 8A.504  
11 (setoff procedures).

12 The bill provides that an appellate court shall not review or  
13 modify any issue related to the defendant's ability to pay a  
14 permanent restitution order entered at the time of sentencing  
15 unless the defendant has exhausted the defendant's remedies  
16 under Code section 910.7 and obtained a ruling from the  
17 district court prior to the issue being raised in the appellate  
18 court.

19 The bill changes the headnote for Code section 911.2B to  
20 domestic and sexual abuse crimes surcharge.

21 The bill provisionally rescinds the Iowa administrative  
22 code rule concerning a fee for the collection of court debt.  
23 The rule provides that a fee of 15 percent of the amount of  
24 each court debt is imposed on each court debt that has been  
25 assigned to the department of revenue for collection under Code  
26 section 602.8107(3). The bill provides that the department of  
27 revenue shall receive 15 percent of all court debt payments  
28 collected on cases assigned to the department of revenue for  
29 collection to reflect the cost of processing, which makes the  
30 rule unnecessary.

31 The bill provides that the sections of the bill amending Code  
32 sections 602.8105(2)(h) (relating to civil penalties for sex  
33 offenders) and 602.8107(3) (relating to the collection of court  
34 debt by the department of revenue) take effect upon enactment.  
35 The section of the bill amending Code section 602.8105(2)(h)

S.F. \_\_\_\_\_

1 applies retroactively to June 25, 2020, and the section of the  
2 bill amending Code section 602.8107(3) applies retroactively  
3 to January 1, 2021.