

Sec. 8. Section 321G.12, Code 1997, is amended to read as follows:

321G.12 HEAD LAMP — TAIL LAMP — BRAKES.

Every all-terrain vehicle operated during the hours of darkness shall display a lighted head lamp and tail lamp. Every snowmobile shall be equipped with at least one head lamp and one tail lamp. Every all-terrain vehicle and snowmobile shall be equipped with brakes ~~which conform to standards prescribed by the director of transportation.~~

Sec. 9. Section 321L.2A, Code Supplement 1997, is amended to read as follows:

321L.2A WHEELCHAIR ~~LIFT WARNING~~ PARKING CONE.

The department ~~shall~~, upon the request of a person issued a persons with disabilities parking permit under section 321L.2 who ~~operates a motor vehicle with~~ uses a wheelchair ~~lift~~, shall provide the person with a ~~traffic cone~~ list of names and addresses of vendors who sell parking cones bearing the international symbol of accessibility and the words “wheelchair ~~lift~~ parking space”. The department shall adopt rules as necessary to ~~implement~~ administer this section.

Sec. 10. Section 321L.5, subsection 5, Code Supplement 1997, is amended to read as follows:

5. A persons with disabilities parking space located on a paved surface may be painted with a blue background upon which the international symbol of accessibility is painted in white or yellow nonskid paint. However, the blue background paint may be omitted. As used in this subsection, “paved surface” includes surfaces which are asphalt surfaced.

Sec. 11. Section 312.12, Code 1997, is repealed.

Approved April 13, 1998

CHAPTER 1081

LICENSING SANCTIONS FOR STUDENT LOAN DEFAULT

S.F. 2170

AN ACT relating to licensing sanctions against individuals who default on debt owed to or collected by the college student aid commission.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. 261.110 NOTICE TO INDIVIDUAL OF POTENTIAL SANCTION OF LICENSE.

1. The commission may initiate action to deny, revoke, or suspend any license authorized by the laws of this state, as defined in section 252J.1, to any person who has defaulted on an obligation owed to or collected by the commission as provided in this section and sections 261.111 through 261.116.

2. The commission shall proceed in accordance with this section and sections 261.111 through 261.116 only if notice is served on an individual by restricted certified mail addressed to the individual at the individual's last known address or principal place of business. The return post-office receipt signed by the individual shall be proof of notice.

The notice shall include all of the following:

- a. The address and telephone number of the commission and the individual's file number.
- b. A statement that the individual is in default on an obligation owed to or collected by the commission.

c. A statement that the individual may request a conference with the commission to contest the action.

d. A statement that if, within twenty days of service of notice on the individual, the individual fails to contact the commission to schedule a conference or pay the total amount of delinquent obligation owed, the commission shall issue a certificate of noncompliance bearing the individual's name, social security number, and file number to any appropriate licensing authority, certifying that the individual is in default on an obligation owed to or collected by the commission.

e. A statement that in order to stay the issuance of a certificate of noncompliance, the request for a conference shall be in writing and shall be received by the commission within twenty days of service of notice on the individual.

f. The names of the licensing authorities to which the commission intends to issue a certificate of noncompliance.

g. A statement that if the commission issues a certificate of noncompliance to an appropriate licensing authority, the licensing authority shall initiate proceedings to refuse to issue or renew, or to suspend or revoke, the individual's license, unless the commission provides the licensing authority with a withdrawal of a certificate of noncompliance.

Sec. 2. NEW SECTION. 261.111 CONFERENCE.

1. An individual may schedule a conference with the commission following service of notice pursuant to section 261.110 or at any time after notice of suspension, revocation, denial of issuance, or nonrenewal of a license from a licensing authority, to challenge the commission's actions under sections 261.110 through 261.116.

2. The request for a conference shall be made to the commission, in writing, and, if requested after service of notice pursuant to this section, shall be received by the commission within twenty days following service of notice.

3. The commission shall notify the individual of the date, time, and location of the conference by regular mail, with the date of the conference to be no earlier than ten days following issuance of notice of the conference by the commission. If the individual fails to appear at the conference, the commission shall issue a certificate of noncompliance if not already issued.

4. The commission shall grant the individual a stay of the issuance of a certificate of noncompliance upon receiving a timely written request for a conference, and if a certificate of noncompliance has previously been issued, shall issue a stay of action on the certificate. The commission shall issue a withdrawal of a certificate of noncompliance as a result of the conference if the individual enters into a written agreement with the commission to repay the obligation.

5. Following the conference, the commission shall issue a certificate of noncompliance, if not already issued, unless any of the following applies:

a. The commission finds a mistake in the identity of the individual.

b. The individual enters into a written agreement with the commission to comply with a repayment plan agreed to by the commission and the individual as a result of the conference, or to comply with the existing contract, or the individual pays the total amount of the delinquent obligation due.

c. Issuance of a certificate of noncompliance is not appropriate under other criteria established in accordance with rules adopted by the commission pursuant to chapter 17A.

6. If the individual does not timely request a conference or pay the total amount of delinquent obligation owed within twenty days of service of notice pursuant to section 261.110, the commission shall issue a certificate of noncompliance.

Sec. 3. NEW SECTION. 261.112 WRITTEN AGREEMENT.

1. An individual served with notice pursuant to section 261.110 may enter into a written agreement with the commission for payment of the obligation owed by the individual. The agreement shall take into consideration the individual's ability to pay and other criteria

established by rule of the commission. The written agreement shall include all of the following:

- a. The method, amount, and dates of payments by the individual.
- b. A statement that upon breach of the written agreement by the individual, the commission shall issue a certificate of noncompliance to any appropriate licensing authority.
- c. A written agreement entered into pursuant to this subsection does not preclude any other remedy provided by law.

2. If the individual enters into a written agreement with the commission following issuance of a certificate of noncompliance, the commission shall issue a withdrawal of the certificate of noncompliance and shall forward a copy of the withdrawal by regular mail to the individual and any appropriate licensing authority.

Sec. 4. NEW SECTION. 261.113 DECISION OF THE COMMISSION.

1. The commission shall issue a written decision in regard to an individual served with notice pursuant to section 261.110, if any of the following occurs:

- a. The individual fails to appear at a scheduled conference under section 261.111.
- b. A conference is held under section 261.111.
- c. The individual fails to comply with a written agreement entered into by the individual and the commission under section 261.112.

2. The commission shall send a copy of the written decision to the individual by regular mail at the individual's most recent address of record or principal place of business.

3. If the commission issues a certificate of noncompliance or withdraws a certificate of noncompliance, a copy of the certificate or of the withdrawal shall be attached to the written decision as applicable.

4. The written decision shall state all of the following:

a. That a copy of the certificate of noncompliance or withdrawal of the certificate of noncompliance has been provided to the licensing authorities named in the notice provided pursuant to section 261.110.

b. That upon receipt of a certificate of noncompliance, the licensing authority shall initiate proceedings to suspend, revoke, deny issuance, or deny renewal of a license, unless the licensing authority is provided with a withdrawal of the certificate of noncompliance from the commission.

c. If the decision is not to withdraw a certificate of noncompliance, that in order to obtain a withdrawal of a certificate of noncompliance from the commission, the individual shall enter into a written agreement with the commission, comply with an existing written agreement with the commission, or pay the total amount of delinquent obligation owed.

d. If the written decision includes a certificate of noncompliance, that all of the following apply:

(1) The individual may request a hearing as provided in section 261.116, before the district court in the county of the individual's residence, by filing a written application to the court challenging the issuance of the certificate of noncompliance by the commission and sending a copy of the application to the commission within the time period specified in section 261.116.

(2) The individual may retain an attorney at the individual's own expense to represent the individual at the hearing.

(3) The scope of review of the district court shall be limited to demonstration of a mistake of fact related to the delinquency of the individual.

4. If the commission issues a certificate of noncompliance, the commission shall only issue a withdrawal of the certificate of noncompliance if any of the following applies:

- a. The commission or the court finds a mistake in the identity of the individual.
- b. The commission or the court finds a mistake in determining the amount of a delinquent obligation.

c. The individual enters into a written agreement with the commission to comply with an

obligation, the individual complies with an existing written agreement to comply with an obligation, or the individual pays the total amount of delinquent obligation owed.

d. Issuance of a withdrawal of the certificate of noncompliance is appropriate under other criteria in accordance with rules adopted by the commission pursuant to chapter 17A.

Sec. 5. NEW SECTION. 261.114 CERTIFICATE OF NONCOMPLIANCE — CERTIFICATION TO LICENSING AUTHORITY.

1. If an individual fails to respond to the notice of potential license sanction provided pursuant to section 261.110 or the commission issues a written decision under section 261.113 which states that the individual is not in compliance, the commission shall certify, in writing, to any appropriate licensing authority that the individual is not in compliance and shall include a copy of the certificate of noncompliance.

2. The certificate of noncompliance shall contain the individual's name, social security number, and file number.

3. The certificate of noncompliance shall require all of the following:

a. That the licensing authority initiate procedures for the revocation or suspension of the individual's license, or for the denial of the issuance or renewal of a license using the licensing authority's procedures.

b. That the licensing authority provide notice to the individual, as provided in section 261.115, of the intent to suspend, revoke, deny issuance, or deny renewal of a license including the effective date of the action. The suspension, revocation, or denial shall be effective no sooner than thirty days following provision of notice to the individual.

Sec. 6. NEW SECTION. 261.115 REQUIREMENTS AND PROCEDURES OF LICENSING AUTHORITY.

1. A licensing authority shall maintain records of licensees by name, current known address, and social security number.

2. In addition to other grounds for suspension, revocation, or denial of issuance or renewal of a license, a licensing authority shall include in rules adopted by the licensing authority as grounds for suspension, revocation, or denial of issuance or renewal of a license, the receipt of a certificate of noncompliance from the commission.

3. The supreme court shall prescribe rules for admission of persons to practice as attorneys and counselors pursuant to chapter 602, article 10, which include provisions, as specified in this chapter, for the denial, suspension, or revocation of the admission for failure to repay an obligation owed to or collected by the commission.

4. A licensing authority that is issued a certificate of noncompliance shall initiate procedures for the suspension, revocation, or denial of issuance or renewal of licensure to an individual. The licensing authority shall utilize existing rules and procedures for suspension, revocation, or denial of the issuance or renewal of a license.

In addition, the licensing authority shall provide notice to the individual of the licensing authority's intent to suspend, revoke, or deny issuance or renewal of a license under this chapter. The suspension, revocation, or denial shall be effective no sooner than thirty days following provision of notice to the individual. The notice shall state all of the following:

a. The licensing authority intends to suspend, revoke, or deny issuance or renewal of an individual's license due to the receipt of a certificate of noncompliance from the commission.

b. The individual must contact the commission to schedule a conference or to otherwise obtain a withdrawal of a certificate of noncompliance.

c. Unless the commission furnishes a withdrawal of a certificate of noncompliance to the licensing authority within thirty days of the issuance of the notice under this section, the individual's license shall be revoked, suspended, or denied.

d. If the licensing authority's rules and procedures conflict with the additional requirements of this section, the requirements of this section shall apply. Notwithstanding section 17A.18, the individual does not have a right to a hearing before the licensing authority to

contest the authority's actions under this chapter, but may request a court hearing pursuant to section 261.116 within thirty days of the provision of notice under this section.

5. If the licensing authority receives a withdrawal of a certificate of noncompliance from the commission, the licensing authority shall immediately reinstate, renew, or issue a license if the individual is otherwise in compliance with licensing requirements established by the licensing authority.

Sec. 7. NEW SECTION. 261.116 DISTRICT COURT HEARING.

1. Following the issuance of a written decision by the commission under section 261.113, which includes the issuance of a certificate of noncompliance, or following provision of notice to the individual by a licensing authority pursuant to section 261.115, an individual may seek review of the decision and request a hearing before the district court in the individual's county of residence, by filing an application with the district court, and sending a copy of the application to the commission by regular mail. An application shall be filed to seek review of the decision by the commission or following issuance of notice by the licensing authority no later than thirty days after the issuance of the notice pursuant to section 261.115. The clerk of the district court shall schedule a hearing and mail a copy of the order scheduling the hearing to the individual and the commission and shall also mail a copy of the order to the licensing authority, if applicable. The commission shall certify a copy of its written decision and certificate of noncompliance, indicating the date of issuance, and the licensing authority shall certify a copy of a notice issued pursuant to section 261.115, to the court prior to the hearing.

2. The filing of an application pursuant to this section shall automatically stay the actions of a licensing authority pursuant to section 261.115. The hearing on the application shall be scheduled and held within thirty days of the filing of the application. However, if the individual fails to appear at the scheduled hearing, the stay shall be lifted and the licensing authority shall continue procedures pursuant to section 261.115.

3. The scope of review by the district court shall be limited to demonstration of a mistake of fact relating to the delinquency of the individual.

4. If the court finds that the commission was in error in issuing a certificate of noncompliance, or in failing to issue a withdrawal of a certificate of noncompliance, the commission shall issue a withdrawal of a certificate of noncompliance to the appropriate licensing authority.

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