



STATE OF IOWA

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DEPARTMENT OF HUMAN SERVICES
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GENERAL LETTER NO. 11-G-7

ISSUED BY: Bureau of Collections, Child Support Recovery, Division of Field Operations

SUBJECT: Employees' Manual, Title 11, Chapter G, *LICENSE SANCTION*, pages 22, 26, 28, 38, and 77, revised.

Summary

Chapter 11-G is revised to incorporate changes allowing enforcement of license sanction for payors receiving federal Veterans' Compensation or Pension (VA) benefits and Railroad Retirement (RR) benefits.

Effective Date

Immediately.

Material Superseded

This material replaces Employees' Manual, Title 11, Chapter G, pages 22, 26, 28, 38, and 77, dated June 4, 2010.

Additional Information

Refer questions about this general letter to your regional collections administrator.

- ◆ The HCDREF field on the CASE screen is **not** “V.”
- ◆ The USATTY field on the CASE screen is “N” or blank.
- ◆ The CRT ORD CTY or CRT ORD# fields on the CONTEMPT screen are blank. When an entry displays in the CRT ORD CTY or CRT ORD# fields, ICAR checks the ACTION DISMISSED/ENDED (D/E) field on the CONTEMPT screen.
 - When the entry in the ACTION DISMISSED/ENDED (D/E) field is “D” or “E,” ICAR continues to process the case for license sanction.
 - When there is an entry in the CRT ORD CTY or CRT ORD# fields and the ACTION DISMISSED/ENDED (D/E) field is blank, ICAR bypasses the case for license sanction.
- ◆ The DECEASED and DATE OF DEATH fields on the PAYOR screen are blank.
- ◆ The FEDERAL BENEFITS (FEDBEN) screen does not contain a “Y” in the SSIR, SSID, SSR, or SSD fields for the payor.
- ◆ The BANKRPTCY & CHAPTR field on the PAYOR screen is “N,” is blank, or is “Y” with a bankruptcy filing date of 10-17-2005 or later.
- ◆ The GOOD CAUSE field on the PAYEE screen is **not** “A,” “P” or “Y.”
- ◆ A case must have at least one Iowa court order, a foreign order fully registered in Iowa, or a foreign order filed in Iowa for income withholding that meets the following criteria:
 - The first two digits in the C.O. COUNTY FIPS field or the REG/FILE COUNTY FIPS field on the Court Order (COURTORD) screen are “19” and the TYPE field is **not** “OP” or “ON.”
 - The order has at least one obligation other than “HO,” “PO,” or “VO.”
- ◆ There is a valid mailing address on the PAYOR screen.
- ◆ An IWO (not a lump-sum IWO) is linked to an income provider, and:
 - More than 60 calendar days have passed from the date in the GEN NOTICE: (Y/N/R/S) field on the Income Withholding Orders (IWO) screen, and
 - None of the payor’s cases have received MIW/UIB payments in the last 60 calendar days from the date the license sanction case selection program runs.
- ◆ The date in the 1ST SEEK EMPLOYMENT ORDER DATE ISSUED field on the Seek Employment (SEEKEMP) screen is blank or is more than one year in the past and the PROCESS ENDED field is blank.

ICAR then reviews the cases for the following criteria:

- ◆ STATUS (A/I/C/D/H) field on the CASE screen is “I,” “C,” “D,” or “H.”
- ◆ ICAR CASE WRKR ID field on the CASE screen is “CSC.”
- ◆ REDIRECTION FLAG field on the CASE screen is “Y.”
- ◆ USATTY field on the CASE screen is “Y” or “R.”
- ◆ GOOD CAUSE field on the PAYEE screen is “A,” “P,” or “Y.”
- ◆ BANKRPTCY & CHAPTR field on the PAYOR screen is “Y” and the filing date is 10-16-2005 or earlier.
- ◆ DECEASED field on the PAYOR screen is “Y” or the DATE OF DEATH field is greater than zero.
- ◆ The FEDBEN screen contains a “Y” in the SSIR, SSID, SSR, or SSD fields for the payor.
- ◆ PAYOR PARENT INDICATOR field on the NARRCASE screen is “POPP” or “WTW.”
- ◆ CORRECTION FLAG field on any of the case’s Obligation (OBLIG) screens is “E.”
- ◆ The CRT ORD CTY or CRT ORD# fields on the CONTEMPT screen display an entry and the ACTION DISMISSED/ENDED (D/E) field is blank.
- ◆ An IWO (not a lump-sum IWO) is linked to an income provider and the date in the GEN NOTICE: (Y/N/R/S) field on the IWO screen is less than 60 calendar days from the date the license sanction process-end program ran.
- ◆ An IWO (not a lump-sum IWO) is linked to an income provider and mandatory income withholding or unemployment insurance benefits (MIW/UIB) payments were received on any of the payor’s cases in the last 60 days from the date the license sanction process-end program ran.
- ◆ Payments total the calculated obligation amount for three months.
- ◆ Delinquency on the case is less than three months worth of support.
- ◆ Remaining balance on the case is either a 17 or 47 account type.
- ◆ No balance remains on the case.

ICAR then reviews the cases for the following criteria:

- ◆ STATUS (A/I/C/D/H) field on the CASE screen is “I,” “C,” “D,” or “H.”
- ◆ ICAR CASE WRKR ID field on the CASE screen is “CSC.”
- ◆ REDIRECTION FLAG field on the CASE screen is “Y.”
- ◆ USATTY field on the CASE screen is “Y” or “R.”
- ◆ HCDREF field on the CASE screen is “V” on any of the payor’s other cases.
- ◆ GOOD CAUSE field on the PAYEE screen is “A,” “P,” or “Y.”
- ◆ BANKRPTCY & CHAPTR field on the PAYOR screen is “Y” and the filing date is 10-16-2005 or earlier.
- ◆ DECEASED field on the PAYOR screen is “Y” or the DATE OF DEATH field displays a date.
- ◆ The FEDBEN screen contains a “Y” in the SSIR, SSID, SSR, or SSD fields for the payor.
- ◆ Payor paid the total support owed.
- ◆ CRT ORD CTY or CRT ORD# fields on the CONTEMPT screen display an entry and the ACTION DISMISSED/ENDED (D/E) field is blank.
- ◆ Remaining case balance is either a 17 or 47 account type.

When ICAR identifies a LISAN screen on a case meeting one of these criteria, ICAR issues a calendar flag (LISAN31) indicating the reason the case no longer meets license sanction criteria. Review the case to ensure the reason ICAR indicates is correct (e.g., the case is still referred to the U.S. Attorney’s Office) and either:

- ◆ Process-end the LISAN screen when the case meets one of the criteria, as this means the case is no longer eligible for license sanction, or
- ◆ Update the case appropriately, delete the calendar flag, and leave the license sanction in place when license sanction is still appropriate.

Note: When the case no longer meets license sanction criteria because the HCDREF field on the CASE screen displays a “V” on any of the payor’s other cases, ICAR issues a different calendar flag (LISAN32).

This calendar flag tells you to either process-end the license sanction on the case receiving the calendar flag, or recall the case referred to the Iowa Department of Revenue Targeted Case Collections, also known as Hard to Collect Debt.

Verifying an Exemption

Under certain conditions, you may exempt the payor from the license sanction process. The conditions and valid verification sources for exemptions are:

- ◆ The payor receives Social Security Retirement (SSR), Social Security Disability (SSD), or Supplemental Security Income (SSIR or SSID) benefits. Verify these benefits through the Federal Benefits (FEDBEN) screen. (See the location process for more information.)

NOTE: When the FEDBEN screen does not indicate that the payor receives benefits, but you verify that the payor receives SSR, SSD, SSIR, or SSID benefits, enter a “Y” in the applicable field on the FEDBEN screen for the payor and process-end the license sanction process. See [ENDING THE LICENSE SANCTION PROCESS](#).

- ◆ The payor receives Family Investment Program (FIP) benefits. Verify FIP benefits through the Issuance Verification (ISSV) on-line system. See 14-B(4), [SYSTEM SCREEN INSTRUCTIONS](#), for instructions on accessing ISSV. Obtain the case number for ISSV through the Automated Benefit Calculation (ABC) system.
- ◆ The payor receives county assistance, such as general relief, general assistance, community services, or veteran’s assistance. County assistance programs may provide assistance with the following items:

Food	Rent or mortgage	Stoves and refrigerators
Water	Electricity	Beds

Veteran’s assistance programs provide assistance with these items for honorably discharged veterans. Eligibility for most non-veteran forms of county assistance is based on FIP guidelines. Each county may provide differing services. When you receive a request for a county assistance exemption, check with the county’s General Assistance office to verify what services are offered in that county.

The payor is responsible for providing verification of this exemption. The duration of the exemption may vary depending on the situation of the individual; however, the **minimum** duration for a county assistance exemption is **one month**.

The agency providing these benefits or other assistance may also verify in writing that the payor receives benefits.

When you end the license sanction process, ICAR issues a narrative (LISAN56) stating the license sanction process is ended, displays the reason in the narrative for ending the process, and requires you to enter additional information for the reason you ended the license sanction process.

Notes:

1. When the license sanction process is connected to the interstate process, you must enter an “N” over the existing “Y” in the INTERSTATE field on the LISAN screen before process-ending the LISAN screen.
2. When the FEDBEN screen does not indicate the payor receives benefits but you verify that the payor is receiving SSR, SSD, SSIR, or SSID benefits, enter a “Y” in the appropriate field on the FEDBEN screen for the payor and process-end the LISAN screen by entering the applicable reason code in the WHY field. This prevents ICAR from reselecting the case for license sanction.
3. When the FEDBEN screen indicates the payor receives SSR, SSD, SSIR, or SSID benefits but you verify that the payor no longer receives the benefit, remove the code from the applicable field on the FEDBEN screen for the payor. ICAR again reviews the case for license sanction.

Once you process-end the LISAN screen, the screen is protected and cannot be updated. ICAR must again select the case for license sanction and create a new LISAN screen before you may initiate a new license sanction action on the case. See [CASE SELECTION](#) for more information.

ICAR deletes process-ended LISAN screens when the date in the process-ended field is three months in the past. ICAR issues a narrative (LISAN51) documenting it deleted the LISAN screen and the date the LISAN screen was process-ended.