



Iowa Department of Human Services

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GENERAL LETTER NO. 11-G-8

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

SUBJECT: Employees' Manual, Title 11, Chapter G, *LICENSE SANCTION*, Title page, revised; and pages 1, 12, 14, 27, 43 through 48, 64, 66, 68, 69, 71, and 76, revised.

Summary

Chapter 11-G is revised to:

- ◆ Incorporate changes allowing license sanction conferences to be held within ten days of the request for a conference if a payor and CSRU agree, as directed by recent changes to Iowa Code Chapter 252J.
- ◆ Remove the reference to when a payor may request a license sanction conference.
- ◆ Add clarification regarding the license sanction payment agreement.
- ◆ Add hyperlinks
- ◆ Correct text related to bankruptcy.
- ◆ Correct text errors.

Effective Date

Immediately.

Material Superseded

This material replaces the following pages from Employees' Manual, Title 11, Chapter G:

<u>Page</u>	<u>Date</u>
Title page	July 27, 2007
1	July 27, 2007
12	October 12, 2007
14, 27	June 4, 2010
43	July 27, 2007
44	October 12, 2007
45	June 4, 2010
46	July 27, 2007

47	October 12, 2007
48, 64, 66	July 27, 2007
68	June 4, 2010
69, 71	July 27, 2007
76	June 4, 2010

Additional Information

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

Revised October 21, 2011

Employees' Manual
Title 11
Chapter G

LICENSE SANCTION



Iowa Department
of Human Services

CHAPTER OVERVIEW

Legal reference: 42 U.S.C. §666(a)(16); Iowa Code Chapter 252J as amended by 2011 Iowa Acts, Senate File 279; 441 IAC 98.101(252J) to 98.107(252J)

Iowa Code Chapter 252J allows the Child Support Recovery Unit (Unit) to sanction recreational, business, industry, professional, occupational, and drivers' licenses, and motor vehicle registrations for payors owing three months' worth of support or more.

The license sanction process is an administrative enforcement action used to suspend, revoke, or refuse the issuance or renewal of a payor's licenses and motor vehicle registrations. Since this is an administrative process, the Unit has the authority to pursue this type of enforcement without an additional court order.

The goal of the license sanction process is to encourage payors to pay their support obligations, rather than sanction the payors' licenses. The process provides many opportunities for payors to pay the support owed and, therefore, not incur a license sanction.

Iowa Code Chapter 252J authorizes the Unit to refer payors who owe three months' worth of support or more and whose support payments are not being made under an income withholding order (IWO) to the appropriate licensing agencies.

State law requires licensing agencies to comply with the license sanction process through the agency's existing statute and rules. When the Unit sends form 470-3274, *Certificate of Noncompliance*, to the licensing agencies, the agencies must begin steps to suspend, revoke, or deny the issuance or renewal of the payor's licenses. Licensing agencies may follow their own established procedures for sanctioning a license.

| The payor may request a conference to enter into a payment agreement, claim an exemption, or discuss a mistake of fact. The conference process is designed to limit the number of district court challenges. The payor may request a hearing regarding the license sanction before the district court in the county where the existing support order is filed:

- ◆ When the payor is not satisfied with the results of a conference, including the issuance of a *Certificate of Noncompliance*; or
- ◆ At any time after receiving notice of a licensing agency's intent to suspend, revoke, issue or renew the payor's licenses.

ICAR moves the information from the NOTICE RET1 and RSN fields to the NOTICE RET2 and RSN fields and displays the current return information in the NOTICE RET1 and RSN fields.

- ◆ **DLIC #:** ICAR displays the payor's driver's license number. This number may be the same as the payor's social security number or may be a unique nine-digit alphanumeric number different from the payor's social security number.
 - ◆ **CONF REQUESTED:** Enter the date you received the payor's written request for a conference. The date must be the same as, or later than, the date in the SRV field and cannot be a future date. ICAR also requires an entry in the CONF SCHEDULED field.
 - ◆ **VEHICLE REG:** ICAR displays a "Y" when a motor vehicle registered in the payor's name is identified through a match with DOT.
 - ◆ **CONF SCHEDULED:** Enter the date and time of the conference. The date must be no earlier than ten days after the date in the CONF REQUESTED field, unless the payor signs a waiver, and no later than 30 days after the date in the CONF REQUESTED field. See [Holding the License Sanction Conference in Less Than Ten Days](#) for more information. ICAR displays the following forms for you to complete and generate:
 - Form 470-3276, *Acknowledgement of Request for Conference*.
 - Form 470-3277, *License Sanction Request for Financial Statement - Payor*.
 - Form 470-3343, *License Sanction Request for Financial Statement - Payee*.
 - Form 470-0204, *Financial Statement* (two copies).
 - ◆ **VEHICLE PLATE #:** ICAR displays up to six license plate numbers for the payor's vehicles. Each license plate number may contain up to seven alphanumeric characters. Based on the codes received from DOT, ICAR displays valid license plate numbers first and then displays all other license plate numbers.
 - ◆ **CONF HELD (Y/N/R):** Enter one of the following codes and the date to indicate a conference is held, not held, or rescheduled. Valid entries are:
 - Y The conference was held.
 - N The conference was not held.
 - R The conference was rescheduled.
- When you update the CONF HELD (Y/N/R) field, ICAR displays form 470-3344, *Results of License Sanction Conference*, for you to complete and generate.
- ◆ **GEN PAY AGREEMNT:** Enter a code to indicate whether you generated form 470-3273, *License Sanction Payment Agreement*. Valid entries are:

- ◆ **GEN CERT OF NONCOM:** Enter the current date to generate the *Certificate of Noncompliance* to the licensing agency. **Note:** ICAR does not allow you to enter a date in this field when the date in the SRV field is six months or more in the past and there is no signed payment agreement in effect (i.e., the SIGNED field is blank).
- ◆ **PROFESSIONAL LICENSES:** ICAR displays a three- or four-character code for up to eight professional licenses held by the payor with one or more of Iowa’s professional licensing agencies (e.g., Iowa Department of Public Health). See [11-G-Appendix](#) for more information on codes.
- ◆ **GEN WITHDRAWAL OF NONCOM:** Enter the current date to generate form 470-3275, *Notice of Withdrawal of Certificate of Noncompliance*, to the licensing agency. ICAR also requires an entry in the WHY field.
- ◆ **WHY:** Enter the reason for issuing the *Notice of Withdrawal of Certificate of Noncompliance*. Valid entries are:

BANK	Payor filed chapter 11 or 13 bankruptcy or filed chapter 7 bankruptcy on or before October 16, 2005
BIZ	Case balance is zero
CONT	Contempt action began after initiation of the license sanction process
DECD	Payor is deceased
EXMT	Payor qualifies for an exemption
IWO	An income withholding order is established for the payor
MOF	A mistake of fact was made
PAY	Payor signed or is complying with a license sanction payment agreement
REG	No signed license sanction payment
OTH	Other reason than those listed above

- ◆ **PROCESS ENDED:** Enter the current date to end the license sanction process. ICAR also requires an entry in the WHY field.
- ◆ **WHY:** Enter the reason for ending the license sanction process. Valid entries are:

BANK	Payor filed chapter 11 or 13 bankruptcy or filed chapter 7 bankruptcy on or before October 16, 2005
BIZ	Case balance is zero
CONT	Contempt action began after initiation of the license sanction process
DECD	Payor is deceased
IWO	An income withholding order is established for the payor

When ICAR identifies a LISAN screen on a case meeting one of these criteria, ICAR:

- ◆ Process-ends the LISAN screen.
- ◆ Issues a narrative (LISAN56) documenting the reason the LISAN screen is ended based on one of the following entries in the WHY field:

BANK	Obligor filed for bankruptcy
BIZ	Case balance is zero
CONT	Case has active contempt screen
DECD	Obligor deceased
IWO	IWO sent in last 60 days or MIW/UIB payment in last 60 days
OTH	Text based on specific case criteria*
SSA	Obligor receives SSA
SSD	Obligor receives SSD
SSI	Obligor receives SSI

* For an “OTH” entry, ICAR enters the following narrative text based on criteria it used to process-end the LISAN screen:

CASE NO LONGER ACTIVE	OBLIGEE REFERRED FOR GOOD CAUSE
CASE HAS CSC WORKER ID	CASE OBLIGATION IN ERROR STATUS
CASE REDIRECTED	DELINQUENCY < 3 MONTHS SUPPORT
CASE REFERRED TO US ATTORNEY	PAY = OBLIG AMT FOR LAST 3 MNTHS
OBLIGOR INVOLVED IN POPP OR WTW	UNPAID BALANCE IS 17/47 ACCT

- ◆ Issues a calendar flag (LISAN23) to delete all existing LISAN calendar flags on the case.

Automated Calendar Flag Program (Weekly)

ICAR does not automatically process-end the LISAN screen when form 470-3278, *Official Notice of Potential License Sanction*, was sent to the payor but the case no longer meets license sanction criteria. To determine which cases no longer meet sanction criteria, ICAR selects cases with LISAN screens displaying the following entries:

- ◆ GEN NOTICE field displays a date.
- ◆ PROCESS ENDED field is blank.

When you change the expiration date, ICAR:

- ◆ Deletes the calendar flag (LISAN2) reminding you of the exemption expiration date.
- ◆ Issues a new calendar flag (LISAN26) 15 days before the new expiration date.

To change the exemption code, enter the new exemption code over the existing entry in the EXEMPTION CODE field and press the F3 key twice. ICAR issues a narrative (LISAN53) documenting that you changed the exemption code and requires you to enter the reason for changing the code.

When you change the entry in the EXEMPTION CODE field and you do not enter a date in the EXPIRES field, ICAR automatically changes the expiration date to one year from the date in the VALID EXEMPTION field.

LICENSE SANCTION CONFERENCE

Legal reference: Iowa Code section 252J.4 as amended by 2011 Iowa Acts, Senate File 279; 441 IAC 98.103(252J) and 98.104(1)

The payor may request a conference to discuss the license sanction action after the payor receives form 470-3278, *Official Notice of Potential License Sanction*, or the notice of suspension, revocation, or denial of issuance or renewal from the licensing agency. The *Official Notice of Potential License Sanction* tells the payor about the right to request a conference to discuss the license sanction.

Request for a Conference

Legal reference: Iowa Code Section 252J.3(5); 441 IAC 98.103(1)

The payor must request a conference in writing. You must receive the request within 30 days from the date you mailed or served form 470-3278, *Official Notice of Potential License Sanction*, (based on the date in the SRV field on the LISAN screen) to prevent the issuance of form 470-3274, *Certificate of Noncompliance*.

Note: When the payor's request for a conference is not received within 30 days from the date you mailed or served the *Official Notice of Potential License Sanction*, and you issue the *Certificate of Noncompliance*, the licensing agency may sanction the payor's license before the conference date.

When you receive the payor's written request for a conference, enter the date you receive the request in the CONF REQUESTED field on the LISAN screen. ICAR issues a narrative (LISAN42) documenting the date you received the payor's request for a conference. ICAR also requires you to complete the CONF SCHEDULED field.

Scheduling the Conference

Legal reference: Iowa Code section 252J.4(3) as amended by 2011 Iowa Acts, Senate File 279; 441 IAC 98.104(1)

Schedule the conference no **earlier** than ten days following the date in the CONF REQUESTED field, unless the payor signs a waiver, and no **later** than 30 days after that date. See [Holding the License Sanction Conference in Less Than Ten Days](#) for more information. This allows both the payor and you time to gather information for the conference. The payor may request the conference be held by telephone or in person.

Enter the date and time of the conference in the CONF SCHEDULED field. ICAR issues a narrative (LISAN29) documenting the date and time of the conference and displays the following forms for you to complete and generate:

- ◆ Form 470-3276, *Acknowledgment of Request for Conference*.
- ◆ Form 470-3277, *License Sanction Request for Financial Statement - Payor*.
- ◆ Form 470-3343, *License Sanction Request for Financial Statement - Payee*.
- ◆ Form 470-0204, *Financial Statement* (two copies).

The Acknowledgment of Request for Conference

- ◆ Documents the receipt of the payor's request for a conference,
- ◆ Tells the payor the time, date, and place of the conference,
- ◆ Lists the issues the payor may discuss at the conference,
- ◆ Informs the payor of the valid exemptions from license sanction, and
- ◆ Instructs the payor to complete the enclosed *Financial Statement*.

Send the *Acknowledgment of Request for Conference*, *License Sanction Request for Financial Statement - Payor*, and one copy of the *Financial Statement* by first-class mail to the payor's last known address.

At the request of either the payor or the Unit, you may reschedule the conference **one** time. See [RESULTS OF LICENSE SANCTION CONFERENCE](#) for more information.

Note: If the payor requests a telephone conference and the payor does not provide a telephone number, schedule an in-person conference.

Requesting Financial Statements From the Payor and Payee

Legal reference: 441 IAC 98.104(1) and (2)

When you send form 470-3276, *Acknowledgment of Request for Conference*, to the **payor**, also send form 470-3277, *License Sanction Request for Financial Statement – Payor*, and one copy of form 470-0204, *Financial Statement*.

The *License Sanction Request for Financial Statement - Payor* instructs the payor to complete and return the enclosed *Financial Statement* and provide proof of income, such as pay stubs and Internal Revenue Service W2 statements, within ten days:

At the same time you send the request for financial information to the payor, send the **payee** form 470-3343, *License Sanction Request for Financial Statement – Payee*, and one copy of the *Financial Statement*.

The *License Sanction Request for Financial Statement - Payee* explains that the payor requested a conference to discuss the license sanction action. The form asks the payee to complete and return the enclosed *Financial Statement* and provide proof of income, such as pay stubs, within ten days.

Note: Do **not** send the *License Sanction Request for Financial Statement - Payee* and *Financial Statement* to the payee in the following cases:

- ◆ Current support cases with an 11 case account type. Instead, use on-line sources to determine income. See [Preparing for the Conference](#) for more information.
- ◆ Delinquency-only cases with only an 11 account type balance. Instead, use on-line sources or median income. See [Preparing for the Conference](#) for more information.
- ◆ Caretaker cases. Instead, send the *License Sanction Request for Financial Statement - Payor* and *Financial Statement* to the payor and the *License Sanction Request for Financial Statement - Payee* and *Financial Statement* to the other parent, when the address of the other parent is known.

If the **payee** does not return financial information and is on public assistance, do not refer the payee to the Income Maintenance (IM) Unit for non-cooperation. If the **payor** does not return the financial information within the required timeframe, send form 470-3274, *Certificate of Noncompliance*. See [RESULTS OF LICENSE SANCTION CONFERENCE](#) for more information.

Holding the License Sanction Conference in Less Than Ten Days

Iowa Code section 252J.4(3) requires you to schedule a conference no sooner than ten days after receipt of the payor's request for a conference, unless the payor and CSRU agree to an earlier date. Waiting ten days allows the payor and, when applicable, the payee, time to complete and return form 470-0204, *Financial Statement*, before calculating the amount for the payment agreement.

If the payor requests that you hold a conference before the ten-day waiting period expires, have the payor sign a *Waiver of Rights*. This will document that the payor agrees to have a conference held during the ten day waiting period.

- ◆ The *Official Notice of Potential License Sanction*, form 470-3278, and the *Certificate of Noncompliance*, form 470-3274, have been changed to include:

Waiver of Rights (optional): Iowa Code section 252J.4 requires the Unit to wait ten days before holding the conference. By signing below, I agree to give up this ten-day waiting period and agree to an earlier date, which may be the same date that I request the conference. (A signature line and date line for the payor have also been added to the forms.)

- ◆ If the payor is requesting an immediate conference but does not have the waiver, manually print an *Official Notice of Potential License Sanction* or a *Certificate of Noncompliance* (whichever form has recently been mailed to the payor) so the payor can sign the waiver.
- ◆ When you are required to send form 470-0204, *Financial Statement*, to the **payee**, you may discuss the issues with the payor before the ten-day waiting period has expired. However, do **not** complete the calculation and payment agreement until you have calculated the support due using current financial information from the payor and the payee (as applicable). See [Calculating the Payment Agreement Amount](#) for more information.

When you are not required to send a *Financial Statement* to the **payee**, you may hold the conference before the ten-day waiting period has expired. See [Requesting Financial Statements From the Payor and Payee](#) for more information.

Preparing for the Conference

Legal reference: 441 IAC 98.104(2) and (3) and Chapter 99, Division I

To prepare for the conference with the payor, review the financial information from the payor and payee, as applicable. When the **payee** does not complete and return form 470-0204, *Financial Statement*, gather information about the payee's financial status from on line sources or other sources.

When there is no other information available, use median income for the payee's income. See 10-H, [DETERMINING CHILD SUPPORT OBLIGATIONS](#), for more information.

Calculating the Payment Agreement Amount

Legal reference: 441 IAC 98.104(2) and (3) and 98.105(252J)

Iowa Administrative Code requires you to determine if the payor's ability to pay support deviates from the amount in the existing support order. The purpose of this calculation is to establish a payment agreement that prompts the payor to begin paying support and avoid license sanction.

The payment agreement amount is based on the best information available at the time the payment agreement is calculated. When the support order is later modified, the obligation amount may change, and a new payment agreement may be required.

To determine the amount of the payment agreement:

- ◆ Calculate the support due using current financial information from the payor and payee, as applicable.

Use the Iowa Supreme Court Child Support Guidelines to calculate the payor's ability to pay. See 10-H, [*DETERMINING CHILD SUPPORT OBLIGATIONS*](#), for instructions on using the Supreme Court Guidelines.

For cases with current support obligations, calculate the guidelines using the number of children covered by the current support obligation.

For delinquency-only cases, include only the last child to emancipate (or children, if more than one child emancipated on the same date) when calculating the guidelines amount.

Note: When the payor requests a conference and the child emancipates before you hold the conference, consider this child emancipated and calculate the guidelines based on how many children are receiving current support on the case; or use the last child to emancipate.

- ◆ Determine if the guidelines amount is higher or lower than the income-withholding amount under the existing support order. See the income withholding order process for more information.

CERTIFICATE OF NONCOMPLIANCE

Legal reference: Iowa Code section 252J.7 and 252J.4(6); 441 IAC 98.105(2) and 98.107(252J)

Form 470-3274, *Certificate of Noncompliance*, is the official notification to the licensing agency to begin steps to suspend, revoke, or deny the issuance or renewal of the payor's licenses. Issue the *Certificate of Noncompliance* when:

- ◆ The payor fails either to pay the total support owed or to request a conference within 30 days from the date you mail or serve form 470-3278, *Official Notice of Potential License Sanction*.
- ◆ The payor fails to attend a scheduled or rescheduled conference.
- ◆ The payor fails to provide verification of an exemption and you cannot verify the exemption on line. See [EXEMPTION FROM THE LICENSE SANCTION PROCESS](#) for information.
- ◆ The payor fails to provide form 470-0204, *Financial Statement*, with verification of income at a rescheduled conference.
- ◆ The payor fails to sign a payment agreement and make the initial payment.
- ◆ The payor fails to comply with the license sanction payment agreement established during a conference. (A payor who already has a license sanction payment agreement will not be given another conference. The payor must make up all missed payments from the existing payment agreement, pay all past-due support, or apply for a district court hearing.)

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| <ol style="list-style-type: none">1. You send the <i>Official Notice of Potential License Sanction</i> to Payor D on March 1, 2011. On March 31, 2011, ICAR issues a calendar flag informing you that Payor D has not responded to the <i>Official Notice of Potential License Sanction</i>. Issue the <i>Certificate of Noncompliance</i>.2. Payor E signs a payment agreement on February 15, 2011, with the first ongoing payment due March 1, 2011. On May 14, 2011, ICAR issues a calendar flag informing you that Payor E missed the March payment. Issue the <i>Certificate of Noncompliance</i>. |
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Note: Generate the *Certificate of Noncompliance* only when there is not already a *Certificate of Noncompliance* in effect with the licensing agency (a date displays in the CERT OF NONCOM field on the LISAN screen and the GEN WITHDRAWAL OF NONCOM field is blank).

To generate the *Certificate of Noncompliance*, enter the current date in the GEN CERT OF NONCOM field on the LISAN screen. ICAR:

- ◆ Displays the form for you to complete and generate.
- ◆ Issues a narrative (LISAN79) documenting you sent the *Certificate of Noncompliance* to the licensing agency.

ICAR generates a copy of the *Certificate of Noncompliance* to the payor and to each licensing agency identified by the entries in the DNR LICENSES, DLIC CLASS, VEHICLE REG, and PROFESSIONAL LICENSES fields on the LISAN screen.

Send the *Certificate of Noncompliance* to the licensing agency by whatever means the agency requests (e.g., electronically, mail, fax, etc.). Send the payor's copy of the *Certificate of Noncompliance* by first-class mail.

Note: Review the *Official Notice of Potential License Sanction* before sending the *Certificate of Noncompliance*. Do not send a *Certificate of Noncompliance* to any licensing agency not listed on the *Official Notice of Potential License Sanction*.

Requirements on the Licensing Agency

Legal reference: Iowa Code section 252J.8

A licensing agency that receives form 470-3274, *Certificate of Noncompliance*, must begin steps to suspend, revoke, or deny the issuance or renewal of the payor's licenses.

The licensing agency follows its own rules and procedures in applying a sanction to the payor's licenses, but is required to comply with the license sanction process as contained in Iowa Code Chapter 252J if the agency's rules and procedures conflict with the Unit's license sanction procedures.

Upon receipt of the *Certificate of Noncompliance*, the licensing agency must provide notice to the payor of the agency's intent to suspend, revoke, or deny the issuance or renewal of the payor's licenses. The suspension, revocation, or denial of issuance or renewal of the payor's licenses may be effective no sooner than 30 days after the licensing agency provides notice to the payor.

The licensing agency's notice to the payor must include the following information:

- ◆ The licensing agency intends to suspend, revoke, or deny the issuance or renewal of the payor's licenses because of the receipt of the *Certificate of Noncompliance*.
- ◆ The payor must contact the Unit to schedule a conference to discuss the license sanction or to otherwise obtain a withdrawal of the *Certificate of Noncompliance*.
- ◆ The licensing agency will revoke, suspend, or deny the issuance or renewal of a license no sooner than 30 days following provision of the notice to the payor unless the Unit sends form 470-3275, *Notice of Withdrawal of Certificate of Noncompliance*, to the agency.

1. After receiving a copy of the *Certificate of Noncompliance* you sent to the Department of Commerce to sanction Payor F's architect license, Payor F requests and attends a conference regarding the license sanction. Payor F enters into and signs a payment agreement to pay the support owed and pays the initial payment due under the agreement. Issue the *Notice of Withdrawal of Certificate of Noncompliance*.
2. After receiving a copy of the *Certificate of Noncompliance* you sent to the DOT to sanction Payor G's driver's license, Payor G contacts you to pay the total support owed the following week. You monitor the case for the payment from Payor G. Within four days, Payor G pays the total support owed. Issue the *Notice of Withdrawal of Certificate of Noncompliance*.

Note: Do not send the *Notice of Withdrawal of Certificate of Noncompliance* when a lump-sum IWO is linked to an income provider and you are waiting to receive a payment. Review the case for payments. When a lump-sum payment is received, unlink the income provider from the lump-sum IWO and send the *Notice of Withdrawal of Certificate of Noncompliance*, if appropriate.

To generate the *Notice of Withdrawal of Certificate of Noncompliance*, enter the current date in the GEN WITHDRAWAL OF NONCOM field and the applicable code in the WHY field on the LISAN screen:

BANK	Payor filed chapter 11 or 13 bankruptcy or filed chapter 7 bankruptcy on or before October 16, 2005
BIZ	Case balance is zero
CONT	Contempt action began after initiation of the license sanction process
DECD	Payor is deceased
EXMT	Payor qualifies for an exemption
IWO	An income withholding order (IWO) is established for the payor
MOF	A mistake of fact was made
NOL	Payor did not match with any licenses in the most recent data-match
PAY	Payor signed or is complying with a license sanction payment agreement
REG	No signed license sanction payment
RTN	The <i>Official Notice of Potential License Sanction</i> was returned as undeliverable
OTH	Other reason than those listed

ICAR:

- ◆ Displays the *Notice of Withdrawal of Certificate of Noncompliance* for you to complete and generate.
- ◆ Issues a narrative (LISAN78) and includes the licensing agency receiving a withdrawal, documenting the date the *Certificate of Noncompliance* is withdrawn, displaying the reason in the narrative for the withdrawal, and requiring you to enter additional information for the reason for the withdrawal.
- ◆ Issues a status (LISAN10) to the initiating or responding state on interstate cases (the INTERSTATE field on the LISAN screen displays a “Y”) informing the state that Iowa has withdrawn the license sanction action.

ICAR displays the online message, “YOU MUST LINK THE INTERSTATE SCREEN AND LISAN SCREEN BEFORE PROCEEDING,” and does not generate the *Notice of Withdrawal on Certificate of Noncompliance* when:

- ◆ You enter the current date in the GEN WITHDRAWAL OF NONCOM field,
- ◆ There is an active interstate referral, and
- ◆ The INTERSTA and LISAN screens are not linked.

This helps ensure that you link the license sanction process to the interstate referral so that ICAR generates the appropriate interstate-related statuses to the other state.

The *Notice of Withdrawal of Certificate of Noncompliance*:

- ◆ Tells the licensing agency that the *Certificate of Noncompliance* is withdrawn and states the reason for the withdrawal.
- ◆ Directs the licensing agency to end all steps to sanction the payor’s licenses and to immediately reinstate, renew, or issue the licenses when the payor is otherwise in compliance with the agency’s licensing requirements.

ICAR generates a copy of the *Withdrawal of Certificate of Noncompliance* for each licensing agency identified by the entries in the DNR LICENSES, DLIC CLASS, VEHICLE REG, and PROFESSIONAL LICENSES fields on the LISAN screen.

Send the *Notice of Withdrawal of Certificate of Noncompliance* to the licensing agency by whatever means the licensing agency requests (e.g., electronic, mail, fax, etc.). Send the payor’s copy of the notice by first-class mail.

Payor Applies for a District Court Hearing

Legal reference: Iowa Code section 252J.9(1)

To request a district court hearing, the payor is required to:

- ◆ File a written application for a hearing to challenge the issuance of form 470-3274, *Certificate of Noncompliance*. The application must:
 - Be filed with the clerk of court before the district court in the county in which the existing support order is filed.
 - Be filed no later than 30 days after receiving the licensing agency's notice of the agency's intent to begin steps to sanction the payor's licenses.
- ◆ Send a copy of the application for a hearing to the Unit within 30 days after receiving the *Certificate of Noncompliance* or the licensing agency's notice of the agency's intent to begin steps to sanction the payor's licenses.

The payor may retain an attorney at the payor's own expense to represent the payor at the hearing.

To record information about the district court hearing request, enter the date the payor filed the application for a hearing in the PAYOR FILED APPLICATION FOR HEARING field on the LISAN2 screen. ICAR issues:

- ◆ A narrative (LISAN21) documenting the date the payor filed the application for the hearing.
- ◆ A calendar flag (LISAN4) 30 days later reminding you that the payor filed an application for a hearing 30 days ago and to verify the hearing date.

Responsibilities of the Clerk of Court

Legal reference: Iowa Code section 252J.9(1)

When the clerk of court receives the payor's written application for a district court hearing regarding the license sanction, the clerk is required to:

- ◆ Schedule and hold the hearing within 30 days of the date the payor filed the application.
- ◆ Mail a copy of the order scheduling the hearing to the payor, to the Unit, and to the affected licensing agencies.

- ◆ Alter a payment agreement that the Unit previously established with the payor. In this instance you:
 - Modify the existing payment agreement to reflect the court’s decision. See [Establishing a Payment Agreement](#) for more information.
 - Monitor the payor’s compliance with the revised payment agreement.

ENDING THE LICENSE SANCTION PROCESS

Legal reference: Iowa Code section 252J; 441 IAC 98.107

At different times in the license sanction process, you may determine that you can no longer pursue a license sanction against the payor. When the case no longer meets license sanction criteria, end the license sanction on the case.

To end the license sanction process, make the following entries on the LISAN screen:

- ◆ Enter the current date in the PROCESS ENDED field. When you enter a date in this field, ICAR requires you to enter the applicable code in the WHY field. You may not enter a date in the PROCESS ENDED field when a date displays in the GEN CERT OF NONCOM field and the GEN WITHDRAWAL OF NONCOM field is blank.

Issue form 470-3275, *Notice of Withdrawal of Certificate of Noncompliance*, before processing the LISAN screen. (See [Withdrawal of Certificate of Noncompliance](#).)

- ◆ Enter the reason for ending the license sanction process in the WHY field. Valid entries are:

BANK	Payor filed chapter 11 or 13 bankruptcy or filed chapter 7 bankruptcy on or before October 16, 2005
BIZ	Case balance is zero
CONT	Contempt action began after initiation of the license sanction process
DECD	Payor is deceased
IWO	An income withholding order (IWO) is established for the payor
LOC	No location for the payor
MOF	A mistake of fact was made
NOL	Payor did not match with any licenses in the most recent data-match
SSA	Payor receiving Social Security Annuity or Retirement Benefits
SSD	Payor receiving Social Security Disability benefits
SSI	Payor receiving Supplemental Security Income
OTH	Other reason than those listed above