



STATE COURT ADMINISTRATION

Iowa Judicial Branch Building
1111 East Court Avenue
Des Moines, IA 50319

MEMORANDUM

From: State Court Administration (Questions: amber.shanahan-fricke@iowacourts.gov)
Re: Additional Court Debt Analysis on County Attorney Collections Programming
Date: October 22, 2024

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I. Overview

This memo follows up on the overarching county attorney collections programming issue referenced in the 2023 Review of Court Debt Practices and Procedures and Statutory Requirements Report (2023 SCA Report). One aspect of the defect in the county attorney collections programming is that the county attorney collector does not receive a collection fee if court debt is not owed 100% to state recipients, is not distributed pursuant to section 602.8106(4)(b) for criminal fines, or is not distributed for the proof of financial responsibility tickets. State Court Administration has continued to address this issue.

SCA legal has confirmed that the following types of court debt should be, but are not currently, providing a collection fee to county attorney collectors just as programming is providing a collection fee to the Iowa Department of Revenue (IDR) and that the remainder of the distribution is accurate.

- 1) Sheriff fees pursuant to Iowa Code section 331.655.
- 2) Fines and forfeited bail from actions in which the city was the plaintiff pursuant to Iowa Code section 602.8106(2);

- 3) Penalties and forfeitures collected by the court for municipal infractions pursuant to Iowa Code section 364.22(7);
- 4) Penalties and forfeitures collected by the court for county infractions pursuant to Iowa Code section 331.307(6);
- 5) Fines and forfeited bail for violation of a county ordinance that is not also penalized under state law and does not relate to speed or weight restrictions pursuant to Iowa Code section 602.8106(3); and
- 6) Illegal dumping penalty pursuant to Iowa Code section 455B.307A.

As a result, the programming for the aforementioned court debt should be modified to provide for a collection fee to county attorneys.

SCA legal concluded that clerk instruction needs to be corrected on how to use a fin code for forfeited bail for violations of a county ordinance that is also penalized under state law or relates to speed or weight restrictions. That fin code is currently available and will distribute correctly after Judicial Branch IT (JBIT) updates programming to first deduct a county attorney collection fee if the case is in collections with a county attorney collector.

SCA legal also reviewed forfeited bail on state violations as a part of the additional county attorney collections programming. However, the review revealed that the programming was inconsistent with the law in a manner different than the preceding issues. SCA legal has concluded that forfeited bail on state violations (when a city is not the plaintiff) is subject to a collection fee by both county attorneys and IDR, but also discovered that clerk instruction and programming was inconsistent with what the law requires for distribution for the forfeited bail. The law requires that this forfeited bail be distributed 100% to the state general fund. The distribution will need to be updated for cases not in collections and cases in collections with IDR. The distribution is currently accurate for cases in collections with county attorney collectors.

JBIT is also updating the programming for county attorney collections to match IDR collections, providing a collection fee to county attorneys, if a collection fee is provided to IDR on debt that is paid to or collected by the clerk of the district court, even if legal analysis has not specifically been undertaken to review the distribution of the fin code after the collection fee is deducted. State Court Administration has determined that is the most equitable approach—to allow county attorney collectors to receive a collection fee when IDR also receives a collection fee, unless the debt is on the list of debt that is exempt from an IDR or county attorney collection fee as set forth in section 602.8107(3)(b) or 602.8107(4)(a).

II. Explanation

Part of this continued evaluation of county attorney collections entailed reviewing the fin codes for types of court debt that are not due 100% to the state and that are currently programmed to provide a collection fee to IDR when it is in collections but are not programmed to provide a collection fee to a county attorney collector. Due to the near-identical lists of court debt that are ineligible for a collection fee, if IDR is eligible to receive a collection fee on certain court debt,

county attorneys likely are too. The following is a list of court debt that was programmed differently for IDR and county attorney collections and reviewed by SCA Legal. This group of fin codes was reviewed not only for collection fee eligibility, but also for proper court debt distribution. The legal review included:

- 1) whether the court debt is subject to a county attorney collection fee, and
- 2) determination of the proper distribution.

Furthermore, while most debts discussed are clearly and indisputably court debt, some discussion was devoted to the question of whether the debts owed meet the definition of court debt.

Fin Code	Fin Code Description
M611	Sheriffs Fees – Local
M621	Out of County Sheriff/Private Fees
MH2A	City Fines
FB6A	Forfeited Bail – City Plaintiff
FB7A	Joint Forfeited Bail – City Plaintiff
MI4A	Infractions – Penalties and Forfeitures – City
MI5A	Infractions – Penalties and Forfeitures – County
MH3A	County Fines (Excl. Speed/Weight)
FB21	Forfeited Bail – County Plaintiff
FB51	Joint Forfeited Bail – County Plaintiff
FB8A¹	Forfeited Bail - County Ordinance (Like State)
FB9A²	Joint Forfeited Bail – County Ordinance (Like State)
N/A³	Forfeited Bail—State Violations, City is not Plaintiff
MH9A	Illegal Dumping Penalty Under § 455B.307A

With the exception of forfeited bail for state violations, the legal conclusion is that the sole issue with distribution of the debts reviewed here is the lack of distribution of the county attorney collection fee. This is a simple programming fix. It simply requires Judicial Branch IT (JBIT) to change the flag on the fin code to indicate that the collection fee should be provided to the county attorney. The generic example of the programming fix for nearly all of the issues addressed in this memo is as follows. Specific programming charts will follow each issue, showing how the programming will facilitate the correct outcome.

¹ FB8A should be used for county fines and forfeited bail for ordinances that are also penalized under state law or restrict speed or bail. However, that is not how it is currently used. It will be renamed “FB8A Forfeited Bail - County Ordinance (Like State).”¹

² FB9A will be adjusted similar to FB8A.

³ Currently, clerks are instructed to use FB8A for forfeited bail on state violations. That is an incorrect usage. FB01 will be reinstated to use for forfeited bail on state violations.

Example of a \$100 payment:

Currently:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$100.00	Original fin code	Original fin code	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

New Programming when County Attorney Collecting (Before Threshold)

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	Original fin code	Original fin code	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County General Fund (100%)	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	Original fin code	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

New Programming when County Attorney Collecting (After Threshold)

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	Original fin code	original fin code	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County General Fund	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	original fin code	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	original fin code	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

Below, this memo provides a detailed description of the analysis of each of the fin codes in the table above.

A. Sheriff Fees pursuant to §331.655 (*Fin Codes M611 and M621*)

Issue

Whether sheriff fees (non-room and board fees) pursuant to Iowa Code section 331.655 are being distributed properly.

What does the law require?

Iowa Code section 331.655(1) states that the “sheriff shall collect the following fees” The extensive list of fees the sheriff shall collect includes fees for services related to the court system, including but not limited to serving a notice and returning it, serving a warrant, serving and returning a subpoena, summoning a grand or trial jury, making and executing a bill of sale for personal property sold, and delivering prisoners under a change of venue. Many of the fees are around \$30 and some include additional expenses.

It is not apparent when just reviewing the Iowa Code that these sheriff fees meet the definition of “court debt,” which is defined in section 602.8107(1)(a) as “all restitution as defined in section 910.1, fees, forfeited bail, and other debt paid to or collected by the clerk of the district court.” Specifically, looking just at section 331.655, it not clear that these sheriff’s fees are paid to or collected by the clerk of the district court. Furthermore, there is not a statutory provision that provides for how the clerk or the state court administrator shall distribute these fees. Nevertheless, it is common practice that these sheriff fees are submitted to the court as court costs, clerks set up these sheriff fees as court costs, and clerks distribute court debt payments to sheriffs for these fees. The practice of assessing fees pursuant to section 331.655 has not been challenged.⁴ As such, State Court Administration will treat these sheriff fees as court debt.

The next question is whether the sheriff fees are subject to a collection fee. Sheriff fees, including sheriff fees pursuant to section 331.655, are not on the lists of court debt that are exempt from a collection fee. Iowa Code § 602.8107(3) & (4). So, if the case is in collections, the payment toward sheriff fees pursuant to section 331.655 is subject to a collection fee. *See* 2023 SCA Report, Section II.B.: Collection Fee Analysis: Collection Fee on Eligible Court Debt.

The final question is “how should the sheriff’s fees pursuant to section 331.655 be distributed?” As mentioned above, this “court debt” is different from other court debt in that it is not clearly paid to or collected by the clerk of court, and furthermore, there is not statutory instruction on how the sheriff’s fees should be distributed. Nevertheless, SCA concludes that the best answer is

⁴ State Court Administration is not aware of a legal challenge to the assessment of Iowa Code section 331.655 as court costs to a criminal case. In the absence of an appellate case ruling on that question, and because of the likely reliance of stakeholders across the judicial system, SCA concludes that the current practice of treating sheriff fees as court debt will not be disturbed—SCA will not stop the payment of sheriff fees through the court debt distribution system—but the programming error that did not provide for a collection fee when sheriff fees were in collections with a county attorney needs to be remedied to provide a collection fee to county attorneys.

that after the collection fee has been deducted, if the case is in collections, then the remainder shall be distributed 100% to the sheriff.

How does the programming currently operate?

For cases not in collections, the programming currently operates as the law requires.

For cases in collections with IDR, the programming currently operates as the law requires.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for distribution of sheriff fees pursuant to section 331.655 has been inconsistent with what the law requires since before July 15, 2020, and should be modified to comply with the requirements of the law set forth here.

The following table also conveys how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Basic Table Description with \$100 Payment Example:

Sheriff Fees Pursuant to Section 331.655: Collection and Distribution <i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i>		
Type of Collector	Collection Fee 602.8107 (3) & (4)	Sheriff 331.655
Not at Collections	\$0.00	\$100.00
IDR	\$15 to IDR	\$85.00
County Attorney <u>before</u> threshold	\$28 to County	\$72.00
	Current: \$0; need to increase from funds currently going to Sheriff.	Current: \$100; need to decrease.
County Attorney <u>after</u> threshold	\$28 to County \$5 to County Atty	\$67.00

	Current: \$0; need to increase to County and County Attorney from funds currently going to Sheriff.	Current: \$100; need to decrease.
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Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

County Attorney Collections (Before Threshold):

Sheriff fees pursuant to section 331.655 are currently programmed through two different fin codes. M611 is utilized for local sheriff fees. M621 is for out of county sheriff/private fees.

Currently: \$100 receipt on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	M611	M612: County Sheriff Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	M621	M622: Out of County Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	M611	M612: County Sheriff Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	M611	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	M621	M622: Out of County Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	M621	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

M611 will disburse as M612 to the Sheriff's Fees line of the Four Column Report and will be payable to the County Sheriff.

M621 will disburse as M622 to the Miscellaneous Trusts and Bonds line of the Four Column Report and will be payable to the out of county payee pin designated.

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) (indicating that sheriff fees are not excluded from court debt eligible for a collection fee) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	M611	M612: County Sheriff Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	M621	M622: Out of County Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	M611	M612: County Sheriff Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	M611	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	M611	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receiving transaction type)
\$67.00	M621	M622: Out of County Payee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	M621	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	M621	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

M611 will disburse as M612 to the Sheriff's Fees line of the Four Column Report and will be payable to the County Sheriff.

M621 will disburse as M622 to the Miscellaneous Trusts and Bonds line of the Four Column Report and will be payable to the out of county payee pin designated.

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) (indicating that sheriff fees are not excluded from court debt eligible for a collection fee) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

B. Fines and Forfeited Bail from Actions in which the City was the Plaintiff pursuant to § 602.8106(2) (*Fin Codes MH2A, FB6A, FB7A*)

Issue

Whether fines and forfeited bail from an action in which the city was the plaintiff pursuant to Iowa Code section 602.8106(2) are being distributed properly.

What does the law require?

The first question is whether fines and forfeited bail when the city is the plaintiff are subject to a collection fee. Fines and forfeited bail, regardless of whether the city is the plaintiff, are not on the lists of court debt that are exempt from a collection fee. Iowa Code § 602.8107(3) & (4). So, if the case is in collections, the payment toward fines or forfeited bail is subject to a collection fee. *See* 2023 SCA Report, Section II.B.: Collection Fee Analysis: Collection Fee on Eligible Court Debt.

Iowa Code section 602.8106(2) provides that “[t]he clerk of the district court shall remit eighty percent of all fines and forfeited bail to the city that was the plaintiff in any action The remaining twenty percent shall be submitted to the state court administrator.” Pursuant to section 602.8108(2), the state court administrator shall deposit that twenty percent in the state general fund.

How does the programming currently operate?

For cases not in collections and cases in collections with IDR, the programming currently operates as the law requires for:

- 1) fines for which the city is the plaintiff in the action and
- 2) forfeited bail for which the city is the plaintiff in the action.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys in the following cases:

- 1) fines for which the city is the plaintiff in the action and
- 2) forfeited bail for which the city is the plaintiff in the action.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately, 80% to the city and 20% to the state for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for 1) distribution of fines and forfeited bail from actions in which the city was the plaintiff pursuant to section 602.8106(2) should be modified to comply with the requirements of the law set forth here.

The following table also conveys how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Basic Table Descriptions with \$100 Payment Example:

<p align="center">Fines and Forfeited Bail from Actions in which the City was the Plaintiff Section 602.8106(2)</p> <p align="center"><i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i></p>			
Type of Collector	Collection Fee 602.8107 (3) & (4)	City=80% 602.8106(2)	State Court Administrator = 20% 602.8106(2) → State General Fund 602.8108(2)
Not at Collections	\$0.00	\$80.00	\$20.00
IDR	\$15 to IDR	\$68.00	\$17.00
County Attorney <u>before</u> threshold	\$28 to County	\$57.60	\$14.40
	<i>Current: \$0; need to increase from funds currently going to city and SGF.</i>	<i>Current \$80; need to decrease.</i>	<i>Current: \$20; need to decrease.</i>
County Attorney <u>after</u> threshold	\$28 to County \$5 to County Atty	\$53.60	\$13.40
	<i>Current: \$0; need to increase from funds currently going to city and SGF</i>	<i>Current \$80; need to decrease.</i>	<i>Current: \$20; need to decrease.</i>

Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

1. Fines from Actions in which the City was the Plaintiff pursuant to § 602.8106(2): Fin Code labeled “MH2A City Fines”⁵

The MH2A City Fines fin code is used for fines in actions in which the city was the plaintiff pursuant to section 602.8106(2).

County Attorney Collections (Before Threshold):

Currently: \$100 receipt on a MH2A City Fines fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MH2A	MH22: State (20%) to City/County Fines and Forfeited Bail MH24: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a MH2A City Fines fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	MH2A	MH22: State (20%) to City/County Fines and Forfeited Bail MH24: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH2A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH2A will disburse 20% as MH22 to the State in the City/County Fines and Forfeited Bail line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

MH2A will disburse 80% as MH24 to the city payee in the City Fines and Forfeited Bail line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

⁵ This fin code is not assessed due to the fine being a city fine, but rather the plaintiff being the city. As such, it may be beneficial to re-title the fin code.

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MH2A	MH22: State (20%) to City/County Fines and Forfeited Bail MH24: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	MH2A	MH22: State (20%) to City/County Fines and Forfeited Bail MH24: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH2A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	MH2A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH2A will disburse 20% as MH22 to the State in the City/County Fines and Forfeited Bail line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

MH2A will disburse 80% as MH24 to the city payee in the City Fines and Forfeited Bail line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

2. Forfeited Bail from Actions in which the City was the Plaintiff pursuant to § 602.8106(2):
Fin Code labeled: “FB6A Forfeited Bail – City Plaintiff”

The FB6A Forfeited Bail fin code is used for forfeited bail in actions in which the city was the plaintiff pursuant to section 602.8106(2).

County Attorney Collections (Before Threshold):

Currently: \$100 receipt on a FB6A Forfeited Bail - City Plaintiff fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB6A	FB62: State (20%) to City/County Fines and Forfeited Bail FB64: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a FB6A Forfeited Bail - City Plaintiff fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	FB6A	FB62: State (20%) to City/County Fines and Forfeited Bail FB64: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB6A will disburse 20% as FB62 to the State in the City/County Fines and Forfeited Bail line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

FB6A will disburse 80% as FB64 to the city payee in the City Fines and Forfeited Bail line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB6A	FB62: State (20%) to City/County Fines and Forfeited Bail FB64: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	FB6A	FB62: State (20%) to City/County Fines and Forfeited Bail FB64: City Payee (80%) to City Fines and Forfeited Bail	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB6A will disburse 20% as FB62 to the State in the City/County Fines and Forfeited Bail line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

FB6A will disburse 80% as FB64 to the city payee in the City Fines and Forfeited Bail line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

3. Joint Forfeited Bail from Actions in which the City was the Plaintiff pursuant to § 602.8106(2): Fin Code labeled: “FB7A Joint Forfeited Bail – City Plaintiff”

The FB7A Joint Forfeited Bail fin code is similar to the FB6A Forfeited Bail fin code, but it is used for forfeited bail in actions in which the city was the plaintiff pursuant to section 602.8106(2) for forfeited bail that is jointly owed by multiple defendants.

C. Penalties and Forfeitures collected by the Court for Municipal Infractions pursuant to § 364.22(7) (*Fin Code MI4A*)

Issues

Whether penalties and forfeitures collected by the court for municipal infractions pursuant to Iowa Code section 364.22(7) are being distributed properly.

What does the law require?

Iowa Code section 364.22(7) provides that “[a]ll penalties or forfeitures collected by the court for municipal infractions shall be remitted to the city in the same manner as fines and forfeitures are remitted for criminal violations under section 602.8106.”

Iowa Code section 602.8106(2) provides that “[t]he clerk of the district court shall remit eighty percent of all fines and forfeited bail to the city that was the plaintiff in any action The remaining twenty percent shall be submitted to the state court administrator.” Pursuant to section 602.8108(2), the state court administrator shall deposit that twenty percent into the state general fund.

As such, the above analysis for fines and forfeited bail pursuant to section 602.8106(2) in memo section B applies to section 364.22(7) penalties and forfeitures for municipal infractions, meaning those penalties and forfeited bail will be subject to a collection fee, if the case is in collections, and then the remaining amount shall be distributed 80% to the city that was the plaintiff in the action and 20% to the state court administrator who shall deposit the moneys into the state general fund.

How does the programming currently operate?

For cases not in collections and cases in collections with IDR, the programming currently operates as the law requires for:

- 1) penalties collected by the court for municipal infractions and
- 2) forfeitures collected by the court for municipal infractions.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys in the following cases:

- 1) penalties collected by the court for municipal infractions and
- 2) forfeitures collected by the court for municipal infractions.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately, 80% to the city and 20% to the state for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for penalties and forfeitures collected by the court for municipal infractions pursuant to Iowa Code section 364.22(7) should be modified to comply with the requirements of the law set forth here.

The following table also conveys how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Basic Table Descriptions with \$100 Payment Example:

<p align="center">Penalties and Forfeitures Collected by the Court for Municipal Infractions – Section 364.22(7) (such court debt shall be remitted in the same manner as § 602.8106(2))</p> <p align="center"><i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i></p>			
Type of Collector	Collection Fee 602.8107 (3) & (4)	City=80% 602.8106(2)	State Court Administrator = 20% 602.8106(2) → State General Fund 602.8108(2)
Not at Collections	\$0.00	\$80.00	\$20.00
IDR	\$15 to IDR	\$68.00	\$17.00
County Attorney <u>before</u> threshold	\$28 to County	\$57.60	\$14.40
	<i>Current: \$0; need to increase from funds currently going to city and SGF.</i>	<i>Current \$80; need to decrease.</i>	<i>Current: \$20; need to decrease.</i>

County Attorney <u>after</u> threshold	\$28 to County \$5 to County Atty	\$53.60	\$13.40
	Current: \$0; need to increase from funds currently going to city and SGF	Current \$80; need to decrease.	Current: \$20; need to decrease.

Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

County Attorney Collections (Before Threshold):

Penalties and forfeitures on municipal (aka city) infractions—Fin Code labeled “MI4A Infractions – Penalties and Forfeitures – City.”

The MI4A fin code is used for penalties and forfeitures on city infractions.

Currently: \$100 receipt on a MI4A Infractions – Penalties and Forfeitures – City fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receiving transaction type)
\$100.00	MI4A	MI42: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI44: City Payee (80%) to City Infractions - Penalties/Forfeitures	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a MI4A Infractions – Penalties and Forfeitures – City fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receiving transaction type)
\$72.00	MI4A	MI42: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI44: City Payee (80%) to City Infractions - Penalties/Forfeitures	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MI4A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MI4A will disburse 20% as MI42 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the State pursuant to section 364.22(7).

MI4A will disburse 80% as MI44 to the city payee in the City Infractions - Penalties/Forfeitures line of the Four Column Report and will be payable to the city pursuant to section 364.22(7).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a MI4A Infractions – Penalties and Forfeitures – City Fin Code on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MI4A	MI42: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI44: City Payee (80%) to City Infractions - Penalties/Forfeitures	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	MI4A	MI42: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI44: City Payee (80%) to City Infractions - Penalties/Forfeitures	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MI4A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

\$5.00	MI4A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
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MI4A will disburse 20% as MI42 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the State pursuant to section 364.22(7).

MI4A will disburse 80% as MI44 to the city payee in the City Infractions - Penalties/Forfeitures line of the Four Column Report and will be payable to the city pursuant to section 364.22(7).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

D. Penalties and Forfeitures collected by the Court for County Infractions pursuant to § 331.307(6) (*Fin Code MI5A*)

Issue

Whether penalties and forfeitures collected by the court for county infractions pursuant to Iowa Code section 331.307(6) are being distributed properly.

What does the law require?

Iowa Code section 331.307(6) provides that “Notwithstanding section 602.8106, subsection 3, penalties or forfeitures collected by the court for county infractions shall be remitted to the county in the same manner as fines and forfeitures are remitted to cities for criminal violations under section 602.8106.”

Iowa Code section 602.8106(2) provides that “[t]he clerk of the district court shall remit eighty percent of all fines and forfeited bail to the city that was the plaintiff in any action The remaining twenty percent shall be submitted to the state court administrator.” Pursuant to section 602.8108(2), the state court administrator shall deposit that twenty percent in the state general fund.

As such, the above analysis for fines and forfeited bail pursuant to section 602.8106(2) in memo section B applies to section 331.307(6) penalties and forfeitures for county infractions, meaning

those penalties and forfeited bail will be subject to a collection fee, if the case is in collections, and then the remaining amount shall be distributed 80% to the county and 20% to the state court administrator who shall deposit the moneys in the state general fund.

How does the programming currently operate?

For cases not in collections and cases in collections with IDR, the programming currently operates as the law requires for:

- 1) penalties collected by the court for county infractions and
- 2) forfeitures collected by the court for county infractions.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys in the following cases:

- 1) penalties collected by the court for county infractions and
- 2) forfeitures collected by the court for county infractions.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately, 80% to county and 20% to the state for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for penalties and forfeitures collected by the court for county infractions pursuant to section 331.307(6) should be modified to comply with the requirements of the law set forth here.

The following table also conveys how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Penalties and Forfeitures Collected by the Court for County Infractions – Section 331.307(6) (provides that such court debt shall be remitted in same manner as § 602.8106(2)) <i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i>			
Type of Collector	Collection Fee 602.8107 (3) & (4)	County=80% 602.8106(2)	State Court Administrator = 20% 602.8106(2) --> to State General Fund 602.8108(2)
Not at Collections	\$0.00	\$80.00	\$20.00
IDR	\$15 to IDR	\$68.00	\$17.00
County Attorney <u>before</u> threshold	\$28 to County	\$57.60	\$14.40

	Current: \$0; need to increase from funds currently going to county under other mechanism and state general fund.	Current \$80; need to decrease.	Current: \$20; need to decrease.
County Attorney <u>after</u> threshold	\$28 to County \$5 to County Atty	\$53.60	\$13.40
	Current: \$0; need to increase from funds currently going to county under other mechanism and state general fund	Current \$80; need to decrease.	Current: \$20; need to decrease.

Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

County Attorney Collections (Before Threshold):

Penalties and Forfeitures on county infractions: Fin Code titled: “MI5A Infractions – Penalties and Forfeitures – County”

The MI5A fin code is used for penalties and forfeitures on county infractions.

Currently: \$100 receipt on a MI5A Infractions – Penalties and Forfeitures – County fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MI5A	MI52: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI54: County Payee (80%) to County Infractions - Penalties/Fines	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a MI5A Infractions – Penalties and Forfeitures – County fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	MI5A	MI52: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI54: County Payee (80%) to County Infractions - Penalties/Fines	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MI5A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MI5A will disburse 20% as MI52 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the State pursuant to section 331.307(6).

MI5A will disburse 80% as MI54 to the county payee in the County Payee (80%) to County Infractions - Penalties/Fines line of the Four Column Report and will be payable to the county pursuant to section 331.307(6).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MI5A	MI52: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI54: County Payee (80%) to County Infractions - Penalties/Fines	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	MI5A	MI52: State (20%) to Fines, Infractions, Law Surcharge, Civil Penalty MI54: County Payee (80%) to County Infractions - Penalties/Fines	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MI5A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	MI5A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MI5A will disburse 20% as MI52 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the State pursuant to section 331.307(6) .

MI5A will disburse 80% as MI54 to the county payee in the County Payee (80%) to County Infractions - Penalties/Fines line of the Four Column Report and will be payable to the county pursuant to section 331.307(6).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

E. Fines and Forfeited Bail for a Violation of a County Ordinance Pursuant to § 602.8106(3) (*Fin Codes MH3A, FB21, FB51, FB8A and FB9A*)

Issue

Whether fines and forfeited bail from a violation of a county ordinance pursuant to Iowa Code section 602.8106(3) are being distributed properly.

What does the law require?

The first question is whether fines and forfeited bail from a violation of a county ordinance are subject to a collection fee. Fines and forfeited bail, regardless of whether those fines or forfeited bail stem from a violation of a county ordinance, are not on the lists of court debt that are exempt from a collection fee. Iowa Code § 602.8107(3) & (4). So, if the case is in collections, the payment toward fines or forfeited bail is subject to a collection fee. *See* 2023 SCA Report, Section II.B.: Collection Fee Analysis: Collection Fee on Eligible Court Debt.

Iowa Code section 602.8106(3) provides that “[t]he clerk of the district court shall remit all fines and forfeited bail for violation of a county ordinance to the county treasurer of the county that was the plaintiff in the action.” That means that after taking a collection fee, 100% of fines and forfeited bail from county ordinances are distributed to the county.

There are two exceptions to that rule: fines and forfeited bail shall be distributed pursuant to section 602.8106(4)(b), if

- 1) the violation of a county ordinance relates to vehicle speed or weight restrictions, or
- 2) the county ordinance provides a penalty for a violation which is also penalized under state law.

Iowa Code § 602.8106(3). That means that if either of those two criteria are met, then only 9% of the fine or forfeited bail is distributed to the county and 91% is distributed to the state court administrator. Pursuant to section 602.8108(4), of the 91%, the state court administrator shall allocate and deposit one and three-tenths percent in the emergency medical services fund in section 135.25, and shall allocate and deposit the remainder into the state general fund.

How does the programming currently operate?

For cases not in collections and cases in collections with IDR, the programming currently operates as the law requires for:

- 1) fines for violation of a county ordinance and
- 2) forfeited bail for violation of a county ordinance.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys in the following cases:

- 1) fines for violation of a county ordinance and
- 2) forfeited bail for violation of a county ordinance.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for distribution of fines and forfeited bail for violations of a county ordinance pursuant to section 602.8106(3) should be modified to comply with the requirements of the law set forth here.

The following tables, both for violations that meet the general rule, and the violations that meet the exception, also convey how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Basic Table Description with \$100 Payment Example:

Fines and Forfeited Bail from Violations of County Ordinance Section 602.8106(3): General Rule <i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i>		
Type of Collector	Collection Fee 602.8107 (3) & (4)	County = 100% 602.8106 (3)
Not at Collections	\$0.00	\$100.00
IDR	\$15.00 to IDR	\$85.00
County Attorney before threshold	\$28.00 to County	\$72.00
	<i>Current: \$0.00; need to increase from funds currently going to County</i>	<i>Current: \$100.00; need to decrease</i>
County Attorney after threshold	\$28.00 to County \$5.00 to County Attorney	\$68.00
	<i>Current: \$0.00; need to increase from funds currently going to County through other mechanism</i>	<i>Current: \$100.00; need to decrease</i>

<p align="center">Forfeited Bail from Violations of County Ordinance⁶ Section 602.8106(3): Exceptions <i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i></p>			
Type of Collector	Collection Fee 602.8107 (3) & (4)	County General Fund (9% of fine payment) ⁷ 602.8106(4)(b)(2)	State Court Administrator (SCA) (91% of fine payment) ⁸ 602.8106(4)(b)(1) SCA Distribute = Emergency Medical Services (EMS) + State General Fund (SGF) 602.8108(4) ⁹
Not at Collections	\$0.00	\$9.00	SCA: \$91.00 = EMS: \$1.18 + SGF: \$89.82
IDR	\$15 to IDR	\$7.65	SCA: \$77.35= EMS: \$1.01 + SGF: \$76.34
County Attorney before threshold	\$28 to County	\$6.48	SCA: \$65.52 = EMS: \$.85 + SGF: \$64.67
	Current: \$0; need to increase from funds currently going to County through other mechanism, EMS, and SGF.	Current: \$9; need to decrease.	Current: EMS: \$1.18 + SGF: \$89.82; need to decrease.
County Attorney after threshold	\$28 to County \$5 to County Atty	\$6.03	EMS: \$0.79 SGF: \$60.18
	Current: \$0; need to increase from funds currently going to County through other mechanism, EMS, and SGF.	Current: \$9; need to decrease	Current: EMS: \$1.18 + SGF: \$89.82; need to decrease.

⁶ The distribution of fines for violation of a county ordinance is not included in this table. As discussed on page 32 of this memo, the fin code that controls fines for violation of a county ordinance is addressed in the 2023 SCA report.

⁷ Amount remaining after collection fee multiplied by .09 to determine 9% of amount to county where violation occurred.

⁸ Amount remaining after collection fee multiplied by .91 to determine 91% of amount to state court administrator for distribution.

⁹ State court administrator shall distribute its 91% by multiplying 91% by .013 and providing that amount to the emergency medical services fund (“EMS”) and the state court administrator 91% amount minus the EMS amount equals the amount to be deposited into the state general fund.

Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

County Attorney Collections (Before Threshold):

1. Fines for Violations of County Ordinance-Section 602.8106(3)-General Rule: Fin Code MH3A labeled “County Fines Excl. Speed/Weight”

The MH3A fin code is used for fines for county ordinances that are not penalized under state law and do not relate to speed or weight restrictions.

Currently: \$100 receipt on a MH3A COUNTY FINES (EXCL. SPEED/WEIGHT) fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receiving transaction type)
\$100.00	MH3A	MH32: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a MH3A COUNTY FINES (EXCL. SPEED/WEIGHT) fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receiving transaction type)
\$72.00	MH3A	MH32: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH3A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH3A will disburse 100% as MH32 to the county in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 602.8106(3).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MH3A	MH32: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	MH3A	MH32: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH3A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	MH3A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH3A will disburse 100% as MH32 to the county in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 602.8106(3).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

2. Forfeited Bail for Violations of County Ordinance-Section 602.8106(3)-General Rule: Fin Code--FB21 labeled “Forfeited Bail – County Plaintiff”¹⁰

The FB21 fin code is used for forfeited bail on a county ordinance that is not also penalized under state law and is not related to a weight or speed restriction pursuant to section 602.8106(3).

Currently: \$100 receipt on a FB21 Forfeited Bail – County Plaintiff fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB21	FB22: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a FB21 Forfeited Bail – County Plaintiff fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	FB21	FB22: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB21	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB21 will disburse 100% as FB22 to the county in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 602.8106(3).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

¹⁰ This is the current title of the fin code. As discussed, the fin code is not assessed based on the county being the plaintiff. As such, it may be beneficial to retitle the fin code to avoid such confusion.

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB21	FB22: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	FB21	FB22: County Payee (100%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB21	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	FB21	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB21 will disburse 100% as FB22 to the county in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 602.8106(3).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

3. Forfeited Bail for Violations of County Ordinance-Section 602.8106(3)-General Rule: Fin Code—FB51 labeled “Joint Forfeited Bail – County Plaintiff”

FB51 is similar to FB21; FB51 is also used for forfeited bail on a county ordinance that is not also penalized under state law and is not related to a weight or speed restriction pursuant to section 602.8106(3), but is used when there are multiple defendants who jointly owe forfeited bail.

4. Fines from Violations of County Ordinance- Section 602.8106(3)-Exceptions: Fin code labeled “MH4A State Fines/Co Speed/Weight Fines”¹¹

Under current practice, clerks are instructed to use fin code MH4A state fines pursuant to 602.8106(4)(b) and counties fines that are also penalized under state law or speed or weight restrictions pursuant to 602.8106(3). That results in such county fines being distributed pursuant to 602.8106(4)(b). The distribution of criminal fines pursuant to section 602.8106(4)(b) is addressed in the original 2023 SCA Report, beginning on page 15. It does not need to be addressed again here.

5. Forfeited Bail from Violations of County Ordinance- Section 602.8106(3)-Exceptions: Fin code labeled “FB8A Forfeited Bail - County Ordinance (Like State)”¹²

The distribution of this fin code needs to be amended by first deducting a collection fee. Additionally, clerk instructions on when to apply this fin code also need to change. FB8A disburses 9% to the county 91% to the state court administrator, who deposits 1.3% in the emergency medical services fund and the remainder to the state general fund. This is the appropriate distribution for county ordinances that are also penalized under state law or are speed or weight violations. Nevertheless, clerks have been instructed to utilize this fin code for forfeited bail on state violations. That is not an appropriate use of FB8A. The correct distribution of forfeited bail on state violations is discussed below.

Currently: \$100 receipt on a FB8A Forfeited Bail - County Ordinance (Like State) fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB8A	FB82: State (91%) to Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1)	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

¹¹ This fin code should be renamed as such.

¹² This fin code should be renamed as such.

		FB84: County Payee (9%) to County Fines/Indigent Defense/Illegal Dumping to County	
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After Programming Fix: \$100 receipt on a FB8A Forfeited Bail - County Ordinance (Like State) fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	FB8A	FB82: State (91%) to Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1) FB84: County Payee (9%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB8A will disburse 91% as FB82 to the State in the Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1) line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

FB8A will disburse 9% as FB84 to the county payee in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB8A	FB82: State (91%) to Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1) FB84: County Payee (9%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receiving transaction type)
\$67.00	FB8A	FB82: State (91%) to Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1) FB84: County Payee (9%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	FB6A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB8A will disburse 91% as FB82 to the State in the Fines Distributed On/After 07/15/2020 per 602.8106(4)(b)(1) line of the Four Column Report and will be payable to the State pursuant to section 602.8106(2).

FB8A will disburse 9% as FB84 to the county payee in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the city pursuant to section 602.8106(2).

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

6. Forfeited Bail from Violations of County Ordinance- Section 602.8106(3)-Exceptions: Fin Code—FB9A labeled “Joint Forfeited Bail – County Ordinance (Like State)”¹³

FB9A is similar to FB8A; FB9A is also used for forfeited bail on a county ordinance that is also penalized under state law or is not related to a weight or speed restriction pursuant to section 602.8106(3), but is used when there are multiple defendants who jointly owe forfeited bail.

F. Forfeited Bail from State Violations

Issue

Whether forfeited bail from state violations when the city is not the plaintiff pursuant to 602.8106(4)(a) or otherwise is distributed correctly.

What does the law require?

The first question is whether forfeited bail is subject to a collection fee. Forfeited bail is not on the lists of court debt that is exempt from a collection fee. Iowa Code § 602.8107(3) & (4). So, if the case is in collections, forfeited bail is subject to a collection fee. *See* 2023 SCA Report, Section II.B.: Collection Fee Analysis: Collection Fee on Eligible Court Debt.

Iowa Code section 602.8106 does not explicitly state how forfeited bail from a violation of a state law should be distributed. However, SCA concludes that the answer can be determined when viewing sections 602.8106 and 602.8108 holistically. The conclusion is that such forfeited bail shall be remitted to the state court administrator, who shall deposit it 100% into the state general fund.

Iowa Code section 602.8106(2) provides that if the city is the plaintiff in an action, then the city receives 80% of the forfeited bail and 20% is remitted to the state court administrator. Pursuant to section 602.8108(2), if a specific distribution provision in that section does not apply, the state court administrator shall deposit amounts received in the state general fund. Pursuant to section 364.22(7) and section 331.307(6), forfeitures collected by the court for municipal or county infractions, respectively, shall be distributed the same way as provided in section 602.8106(2)—meaning 80% of the forfeiture on a municipal infraction is remitted to the city, 80% of the forfeiture on a county infraction is remitted to the county, and 20% is remitted to the state court administrator, who shall deposit it in the state general fund.

Iowa Code section 602.8106(3) provides that forfeited bail on county ordinances be distributed 100% to the county if 1) the ordinance does not relate to speed or weight restrictions and 2) it does not provide a penalty for a violation that is also penalized under state law. If the county ordinance does fall into one of those two categories: 1) it relates to a speed or weight restriction or 2) it provides a penalty for a violation also penalized under state law, then it distributes according to section 602.8106(4), which is 9% to the county and 91% to the state court administrator.

¹³ The fin code should be renamed as such.

Pursuant to section 602.8108(4), the state court administrator shall allocate and deposit one and three-tenths percent in the emergency medical services fund in section 135.25 and shall allocate the remainder of the 91% to the state general fund.

The only mention of forfeited bail on state violations other than forfeited bail when the city is the plaintiff is in Iowa Code section 602.8106(4), which states:

4. *a.* Except as provided in paragraph “*b*”, the clerk of the district court shall submit all other fines, fees, costs, and **forfeited bail received from a magistrate** to the state court administrator.
- b.* The fine amount for a violation that occurred within the boundaries of the county shall be distributed as follows:
 - (1) Ninety-one percent to the state court administrator.
 - (2) Nine percent to the county treasurer for deposit in the county general fund where the violation occurred.

The meaning of “all other . . . forfeited bail received from a magistrate” must be read in light of the aforementioned code sections. That provision must include forfeited bail from state violations when the city is not the plaintiff; this is seemingly most forfeited bail. When read in conjunction with 602.8108(2), which provides that unless a specific distribution provision exists in section 602.8108, the state court administrator shall deposit moneys into the state general fund, it results in the conclusion that forfeited bail on state violations when the city is not the plaintiff should be deposited 100% into the state general fund.

The question could be raised as to the meaning of the following phrase “all other fines, fees, costs, and forfeited bail received from a magistrate” and particularly how the qualifier “received from a magistrate” limits the interpretation. We recognize further clarity may be gained from the legislature speaking to that question of “what does received from a magistrate” mean and how does it limit the types of other fines, fees, costs, and forfeited bail that section 602.8106(4)(a) provides distribution instruction on. But, ultimately, we resolve that in the absence of any further statutory instruction on how the judicial branch should distribute forfeited bail on state violations when the city is not the plaintiff, the judicial branch shall distribute it 100% to state general fund.

The judicial branch concludes that section 602.8106(4)(a) may be interpreted to apply to some or all forfeited bail on state violations when the city is not the plaintiff, and 100% of that money shall go to the state court administrator, and 602.8108(2) requires it be distributed to the state general fund. Alternatively in the absence of a specific statutory distribution provision, section 602.8108(2) requires the state court administrator to deposit court debt in the state general fund. The outcome is the same—100% of forfeited bail of state violations whether received from a magistrate or not—shall be paid to the state general fund.

The following table provides an overview of how different types of violations have different statutory distributions of forfeited bail or forfeitures and necessitate different fin codes for distribution.

Forfeited Bail Distribution			
Forfeited Bail on Which Types of Violations	Iowa Code Section Controlling Distribution	How to Distribute	Correct Fin Code
State Law Violations (Unless City was Plaintiff)	602.8106(4)(a) or 602.8108(2)	100% to SCA, then 100% to State General Fund	None that comply; will reinstate FB01. <i>Note: Clerks are currently using fin code FB8A for forfeited bail on state violations, which is the wrong distribution. A different fin code with correct distribution is needed for this purpose.</i>
Forfeited Bail on County Ordinances (Does not relate to Vehicle Speed or Weight Restriction and does not provide a penalty for a violation that is also penalized under state law)	602.8106(3)	100% to County	FB21 (FB51 Joint)
Forfeited Bail in County Ordinances related to Vehicle Speed or Weight Restrictions or Copycat of State Law	602.8106(3)	9% to County; 91% to SCA, who distributes it 1.3% to EMS Fund, and remainder to State General Fund	FB8A (FB9A Joint) <i>Note: Clerks are not currently using this fin code for this purpose, but rather are using it for forfeited bail on state law violations; clerks will receive new instruction on proper use.</i>
Forfeited Bail from an action in which City was Plaintiff	602.8106(2)	80% to the City and 20% to the SCA, who deposits in State General Fund	FB6A (FB7A Joint)

Forfeiture collected by court for municipal infraction	364.22(7) requires distribution pursuant to section 602.8106(2)	80% to the City and 20% to the SCA, who deposits in State General Fund	MI4A
Forfeiture collected by court for county infraction	331.307(6) requires distribution pursuant to section 602.8106(2)	80% to the City and 20% to the SCA, who deposits in State General Fund	MI5A

How does the programming currently operate?

Programming is not working correctly regardless of whether the case is in collections or with whom the case is in collections. Currently, forfeited bail on state violations is distributing 91% to the state court administrator and 9% to the county consistent with section 602.8106(4)(b). Of the 91% to the state court administrator, 1.3% is distributed to the EMS fund, and the remainder is distributed to the state general fund. That distribution is consistent with section 602.8106(4)(b), but that provision is for distribution of state fines. That provision, by reference, also applies to forfeited bail in county ordinances related to vehicle speed and weight restrictions and forfeited bail on county ordinances that are copycats of state law. It does not apply to forfeited bail for state violations.

The FB01 fin code needs to be reinstated to distribute 100% to the state general fund for forfeited bail on state violations, unless the city is the plaintiff.

Conclusion: The FB01- Fofeited Bail – State Plaintiff fin code needs to be reinstated to distribute 100% to the state general fund for forfeited bail on state violations, unless the city is the plaintiff. Additionally, a collection fee shall apply if the case is in collections when the forfeited bail payment is made with either IDR or a county attorney collector.

Basic Table Description with \$100 Payment Example:

<p>Forfeited Bail from State Violation (Plaintiff is Not a City)</p> <p>Sections 602.8106(4)(a), 602.8108(2)</p> <p><i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i></p>		
Type of Collector	Collection Fee 602.8107 (3) & (4)	100% to SCA, 602.8106(4)(a), then 100% to State General Fund 602.8108(2)

Not at Collections	\$0.00	\$100.00 Current \$89.82 to SGF, need to increase to SGF; eliminate contributions to county and EMS.
IDR	\$15 to IDR	\$85.00 Current: \$76.35 to SGF; need to increase amount to SGF and eliminate contributions to county and EMS.
County Attorney before threshold	\$28 to County	\$72.00
County Attorney after threshold	\$28 to County \$5 to County Atty	\$68.00

Detailed Description with Required Programming Changes

Not at Collections: Changes needed.

Currently: \$100 receipt on a FB8A FORFEITED BAIL – STATE PLAINTIFF fin code on a case not in collections creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB8A	FB82: State (91%) to County Fines/Indigent Defense/Illegal Dumping to County FB84: State (9%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

After Programming Fix: \$100 receipt on a FB01 FORFEITED BAIL – STATE PLAINTIFF fin code on a case not in collections will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	FB01	FB02: State (100%) to Fines, Infractions, Law Surcharge, Civil Penalty	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

FB01 will disburse 100% as FB02 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the county pursuant to sections 602.8106(4)(a) and 602.8108(2).

IDR Collections (effective 01/01/2021): Changes needed.

Currently: \$100 receipt on a FB8A FORFEITED BAIL – STATE PLAINTIFF fin code on a case in collections at IDR creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$85.00	FB8A	FB82: State (91%) to County Fines/Indigent Defense/Illegal Dumping to County FB84: State (9%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$15.00	SK11	SK12: Iowa Dept of Revenue Collection Fee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$15.00	FB8A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

After Programming Fix: \$100 receipt on a FB01 FORFEITED BAIL – STATE PLAINTIFF fin code on a case in collections with IDR will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$85.00	FB01	FB02: State (100%) to Fines, Infractions, Law Surcharge, Civil Penalty	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$15.00	SK11	SK12: Iowa Dept of Revenue Collection Fee	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$15.00	FB01	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

FB01 will disburse 100% as FB02 to the State in the Fines, Infractions, Law Surcharge, Civil Penalty line of the Four Column Report and will be payable to the county pursuant to sections 602.8106(4)(a) and 602.8108(2).

SK11 will disburse as SK12 to the State in the Iowa Dept of Revenue Collection Fee line of the Four Column Report and will be payable to the State pursuant to section 602.8107(3).

County Attorney Collections (Before Threshold) -- No Changes Needed.

County Attorney Collections (After Threshold) -- No Changes Needed.

G. *Illegal Dumping Penalty Under Section 455B.307A (Fin Code MH9A)*

Issue

Whether civil penalties for the discarding of solid waste in violation of Iowa Code section 455B.307A are being distributed properly.

What does the law require?

The first question is whether the civil penalty for the discarding of solid waste in violation of section 455B.307A is court debt. It is not clear that the civil penalty for a violation of this section is always paid to or collected by the clerk of the court. In light of the analysis set forth in the 2023 SCA Report, III. Issues Discussed in NCSC Report, Department of Transportation Civil Penalties, and Section A: Sheriff Fees of this memo, SCA concludes that if this civil penalty is paid to or collected by the clerk of court, it will be treated as court debt for the purposes of a collection fee.

The next question is whether civil penalties in general, or civil penalties for the discarding of solid waste, are subject to a collection fee. Civil penalties, in general and specifically for discarding solid waste in violation of section 455B.307A, are not on the lists of court debt that are exempt from a collection fee. Iowa Code § 602.8107(3) & (4). So, if the case is in collections, the payment toward this civil penalty is subject to a collection fee. *See* 2023 SCA Report, Section II.B.: Collection Fee Analysis: Collection Fee on Eligible Court Debt.

Iowa Code section 455B.307A(3) provides that the penalty for violating this section is a civil penalty. Additionally, the same subsection provides that the revenue from the penalty shall be remitted to the treasurer for deposit in the general fund. Fifty percent of such moneys are appropriated to the Department of Transportation for the purposes of cleanup of litter and illegally discarded solid waste, and 50% shall be deposited in the general fund of the county in which the violation occurred for the cleanup and prevention of illegal dumping.

How does the programming currently operate?

For cases not in collections, the programming currently operates as the law requires.

For cases in collections with IDR, the programming currently operates as the law requires.

For cases in collections with county attorneys, the programming is not recognizing that the case is in collections and is not providing a collection fee to the county attorney. Programming needs to be adjusted to deduct a collection fee for county attorneys.

As reflected in the below table, this programming distribution issue is limited to cases in collection with county attorneys; distribution is occurring accurately for cases that are not in collections and cases that are in collections with IDR.

Conclusion: For cases in collections with county attorney collectors, the programming for distribution of the civil penalty for violations of section 455B.307A should be modified to comply with the requirements of the law set forth here.

The following table also conveys how SCA concludes that this court debt should be distributed, the current programming, and how the current distribution needs to change.

Basic Table Description with \$100 Payment Example:

Civil Penalty for Discarding Solid Waste in Violation of Section 455B.307A <i>(Black font shows the correct distribution and red font shows how programming currently operates and needs to change)</i>			
Type of Collector	Collection Fee 602.8107 (3) & (4)	State Treasurer for DOT Cleanup of Litter & Illegally Discarded Waste: 50% 455B.307A	County General Fund where the Violation Occurred: 50% 455B.307A
Not at Collections	\$0.00	\$50.00	\$50.00
IDR	\$15 to IDR	\$42.50	\$42.50
County Attorney <u>before</u> threshold	\$28 to County	\$36.00	\$36.00
	Current: \$0, need to increase from State and County	Current: \$50; need to decrease.	Current: \$50; need to decrease.
County Attorney <u>after</u> threshold	\$28 to County \$5 to County Atty	\$33.50	\$33.50
	Current: \$0, need to increase from State and County	Current: \$50; need to decrease.	Current: \$50; need to decrease.

Detailed Description with Required Programming Changes

Not at Collections: No changes needed.

IDR Collections (effective 01/01/2021): No changes needed.

County Attorney Collections (Before Threshold):

Currently: \$100 receipt on a MH9A ILLEGAL DUMPING PENALTY UNDER 455B.307A fin code on a case in collections with a county attorney (before threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
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\$100.00	MH9A	MH92: State (50%) to Fine-Littering/Discarding Waste MH94: County (50%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
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After Programming Fix: \$100 receipt on a MH9A ILLEGAL DUMPING PENALTY UNDER 455B.307A fin code on a case in collections with a county attorney (before threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$72.00	MH9A	MH92: State (50%) to Fine-Littering/Discarding Waste MH94: County (50%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	CM23	CM24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH9A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH9A will disburse 50% as MH92 to the State in the Fine-Littering/Discarding Waste line of the Four Column Report and will be payable to the State pursuant to section 455B.307A.

MH9A will disburse 50% as MH94 to the county payee in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 455B.307A.

CM23 will disburse as CM24 to the County Attorney Collections line of the Four Column Report and will be payable to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

County Attorney Collections (After Threshold):

Currently: \$100 receipt on a case in collections with a county attorney (after threshold) creates:

Payment Amount	Fin Code	Fin Code: Recipient (% of Receipt)	Payor type (receipting transaction type)
\$100.00	MH9A	MH92: State (50%) to Fine-Littering/Discarding Waste	Original payment type (CSH, CHK, MOR, ETC) deposited in bank

		MH94: County (50%) to County Fines/Indigent Defense/Illegal Dumping to County	
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After Programming Fix: \$100 receipt on a case in collections with a county attorney (after threshold) will create:

Payment Amount	Fin Code	Fin Code: Recipient (% of Payment Amount)	Payor type (receipting transaction type)
\$67.00	MH9A	MH92: State (50%) to Fine-Littering/Discarding Waste MH94: County (50%) to County Fines/Indigent Defense/Illegal Dumping to County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	TC23	TC24: County	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$5.00	TC25	TC26: County Attorney	Original payment type (CSH, CHK, MOR, ETC) deposited in bank
\$28.00	MH9A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)
\$5.00	MH9A	N/A	ATT (journal type to reduce the owed balance by the amount of the collection fee)

MH9A will disburse 50% as MH92 to the State in the Fine-Littering/Discarding Waste line of the Four Column Report and will be payable to the State pursuant to section 455B.307A.

MH9A will disburse 50% as MH94 to the county payee in the County Fines/Indigent Defense/Illegal Dumping to County line of the Four Column Report and will be payable to the county pursuant to section 455B.307A.

TC23 (28%) will disburse as TC24 to the County Attorney Collections line of the Four Column Report and will be owed to the County for the collection fee pursuant to section 602.8107(4) and section 602.8107(4)(c) (providing for a 28% collection fee to be paid to the county).

TC25 (5%) will disburse as TC26 to the County Attorney Collections line of the Four Column Report and will be owed to the County Attorney for the collection fee bonus pursuant to section 602.8107(4)(d) (providing for an additional 5% collection fee to be paid to the county attorney after the county attorney has collected their threshold amount).

Under current practice, both TC24 and TC26 are paid to the same county entity and that entity distributes 28% to the county general fund and 5% to the county attorney. Local practice varies on whether the receiving entity is the county auditor, county treasurer, or county attorney.

III. Conclusion

With the changes set forth in the 2023 SCA Report, the changes from the legal review of fin codes in this report, and the instruction to Judicial Branch IT to conform county attorney collection fee programming to IDR programming as set forth here, the county attorney collections programming framework issues will be remedied and IDR and county attorney collection programming will begin operating similarly, varying only as the law provides.