

2005 DRAFTING REQUEST

Bill

Received: 01/07/2005

Received By: rnelson2

Wanted: As time permits

Identical to LRB:

For: Mark Gottlieb (608) 267-2369

By/Representing: Denise S

This file may be shown to any legislator: NO

Drafter: rnelson2

May Contact:

Addl. Drafters:

Subject: Courts - costs and fees

Extra Copies:

Submit via email: YES

Requester's email: Rep.Gottlieb@legis.state.wi.us

Carbon copy (CC:) to: joseph.kreye@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Collection of fees, fines, forfeiture, and surcharges.

Instructions:

See Attached and 03-1331

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rnelson2 01/11/2005	csicilia 02/09/2005		_____			S&L
/P1			rschluet 02/09/2005	_____	lnorthro 02/09/2005		S&L
/1	rnelson2 02/25/2005	csicilia 02/25/2005	pgreensl 02/25/2005	_____	lemery 02/25/2005	lemery 02/25/2005	

FE Sent For:

<END>

↳ At
Intro.

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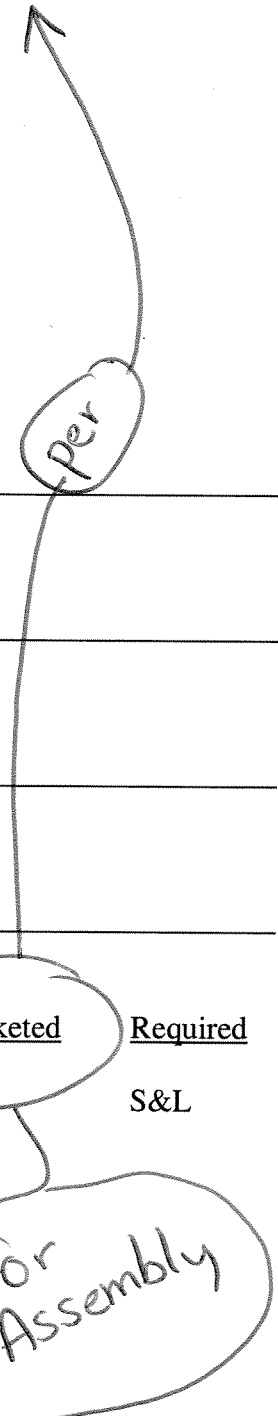
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/?	rnelson2 01/11/2005	csicilia 02/09/2005		<u>2/25</u>			S&L
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2/25
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to a "1"
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2005 DRAFTING REQUEST

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Wanted: **As time permits**

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By/Representing: **Denise S**

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Drafter: **rnelson2**

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Addl. Drafters:

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Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

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See Attached and 03-1331

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/?	rnelson2	Pl g/s 2/08 05					

FE Sent For:

<END>

Lief, Madelon

From: Solie, Denise
Sent: Monday, January 03, 2005 1:44 PM
To: Lief, Madelon
Subject: Drafting request

Loni,

We would like to have this bill re-drafted for this session. Please note the changes on the face of the draft.

In addition, we need a new section drafted that allows county clerks to implement a sliding fee of up to \$15.00 to set-up and monitor a payment plan arrangement.

Please call if you have any questions. Thanks! And happy new year!

Denise Solie
Staff
Rep. Mark Gottlieb
(608) 267-2369

1331/9

Any chance you
can do
this one,
too?



Scan001.PDF

sliding fee

2003 BILL

*De-missible
sliding fee
for plans
up to \$15
to set up pymt
plans and submit*

1 **AN ACT to renumber and amend** 814.60 (1); **to amend** 59.40 (4), 59.52 (28),
2 71.935 (2), 71.935 (5), 85.103 (6), 342.06 (1) (intro.), 342.06 (1) (eg), 343.027,
3 343.14 (1), 343.14 (2j) (b) and 814.63 (1) (b); and **to create** 59.40 (5), 814.60 (1)
4 (b), 814.63 (1) (a), 969.02 (2m) and 969.03 (1) (dm) of the statutes; **relating to:**
5 collection of fees, fines, forfeitures, assessments, and surcharges by credit or
6 debit card; setoffs against tax refunds; creation of a late fine and forfeiture
7 registry; disclosing information obtained by the Department of Transportation
8 to the Department of Revenue; and creation of a fine or forfeiture collection fee.

Analysis by the Legislative Reference Bureau

Under current law, when a circuit court (court) imposes a fine or forfeiture on a person for the violation of a state law or local ordinance, the person is also required to pay certain assessments, restitution payments, and surcharges, depending on the type of violation involved. For example, in a criminal case, the defendant must pay a \$20 fee to the court for all necessary filing, entering, or recording done by the court. Currently, the clerk of circuit court (clerk) must collect the amount owed and pay that amount to the county treasurer, but the clerk may contract with a collection agency to collect unpaid fines and forfeitures. The collection agency is paid for its services from the proceeds collected.

BILL

This bill allows the county to hire a debt collector (a business or individual who engages in debt collection), instead of a collection agency, to collect unpaid fines and forfeitures. In addition, the clerk must collect an additional \$3 in all criminal and forfeiture actions, to be used by the clerk to fund efforts to collect unpaid assessments, fees, fines, forfeitures, restitution payments, and surcharges. The bill also allows the clerk to accept credit cards and debit cards for any required payment to the clerk and for the payment of bail.

Under current law, if a person owes a debt related to unpaid fines, fees, or forfeitures to a county or municipality, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt for the county or municipality by subtracting the amount of the debt from any tax refund owed to the debtor. DOR charges the county or municipality an administrative fee for collecting a certified debt. Under the bill, DOR charges the person who owes the certified debt an administrative fee for collecting the debt, rather than charging the county or municipality that certifies the debt.

Under the bill, the Department of Transportation may disclose any information that it obtains from driver's license and vehicle title applications to DOR for the purposes of administering state taxes and collecting debt, including social security numbers and signatures.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 59.40 (4) of the statutes is amended to read:

2 59.40 (4) CLERK OF CIRCUIT COURT; ~~COLLECTION AGENCY~~ DEBT COLLECTOR CONTRACT.

3 ~~If~~ authorized by the board under s. 59.52 (28), the clerk of circuit court may contract

4 with a ~~collection agency~~ debt collector, as defined in s. 427.103 (3), for the collection

5 of unpaid fines and forfeitures. Any contract entered into shall provide that the

6 ~~collection agency~~ debt collector shall be paid from the proceeds recovered by the

7 ~~collection agency~~ debt collector. The net proceeds received by the clerk of circuit court

8 after the payment to the ~~collection agency~~ debt collector shall be considered the

9 amount of fines and forfeitures collected for purposes of distribution to the state and

10 county under sub. (2) (m).

11 **SECTION 2.** 59.40 (5) of the statutes is created to read:

BILL

1 59.40 (5) CLERK OF CIRCUIT COURT; CREDIT AND DEBIT CARDS. (a) In this subsection:

2 1. "Credit card" means a card or other similar device existing for the purpose
3 of obtaining money, property, or services on credit under an open-end credit
4 agreement.

5 2. "Debit card" means a card or other similar device existing for the purpose of
6 obtaining money, property, or services through the use of a depository-institution
7 access device.

8 3. "Depository-institution access device" means a terminal or other facility or
9 installation, attended or unattended, that is not located at the principal place of
10 business or at a branch or remote facility of a depository institution and through
11 which depository institutions and their customers may engage, by means of either
12 the direct transmission of electronic impulses to and from a depository institution or
13 the recording of electronic impulses or other indicia of a transaction for delayed
14 transmission to a depository institution, in transactions that are incidental to the
15 conduct of the business of a depository institution.

16 4. "Open-end credit agreement" means an agreement under which credit is
17 extended on an account and under which all of the following are true:

18 a. The debtor may make purchases or obtain loans, from time to time, directly
19 from the creditor or indirectly by use of a credit card, check, or other device, as the
20 plan may provide.

21 b. The debtor has the privilege of paying the balance in full or in installments.

22 c. The creditor may from time to time assess a charge, computed on any
23 outstanding unpaid balance.

24 (b) The clerk of circuit court may accept a credit card or debit card for any
25 required payment to the clerk of circuit court and may charge and collect a \$5 service

Handwritten notes:
OK
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set it up
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BILL

1 fee for the use of a credit card or debit card. The clerk of court shall deposit the \$5
2 service fee in the clerk of court's account. *to be wholly returned by the county OK*

3 SECTION 3. 59.52 (28) of the statutes is amended to read:

4 59.52 (28) COLLECTION OF COURT IMPOSED PENALTIES. The board may adopt a
5 resolution authorizing the clerk of circuit court, under s. 59.40 (4), to contract with
6 a collection agency debt collector, as defined in s. 427.103 (3), for the collection of
7 unpaid fines and forfeitures.

8 SECTION 4. 71.935 (2) of the statutes is amended to read:

9 71.935 (2) A municipality or county may certify to the department any debt
10 owed to it. Not later than 5 days after certification, the municipality or county shall
11 notify the debtor in writing of its certification of the debt to the department, of the
12 basis of the certification and of the debtor's right to appeal and, in the case of parking
13 citations, of the debtor's right to contest the citation. At the time of certification, the
14 municipality or county shall furnish to the department the name and social security
15 number or operator's license number of each individual debtor and the name and
16 federal employer identification number of each other debtor.

17 SECTION 5. 71.935 (5) of the statutes is amended to read:

18 71.935 (5) At the time of each settlement, each ~~municipality and county~~ debtor
19 shall be charged for administration expenses, and the amounts charged shall be
20 credited to the appropriation account under s. 20.566 (1) (h). The department may
21 set off amounts charged to the debtor under this subsection against any refund owed
22 to the debtor, as provided in sub. (3). Annually on or before November 1, the
23 department shall review its costs incurred during the previous fiscal year in
24 administering setoffs under this section and shall adjust its subsequent charges to
25 each ~~municipality and county~~ debtor to reflect that experience.

BILL

1 **SECTION 6.** 85.103 (6) of the statutes is amended to read:

2 85.103 (6) The department may disclose the personal identifier of any person
3 who has made a designation under sub. (2) or (3) if the department discloses the
4 personal identifier under s. 341.17 (9), 342.06, 343.027, 343.14, 343.234, 343.235,
5 343.24 (3) and (4), or 343.245 (3m).

6 **SECTION 7.** 342.06 (1) (intro.) of the statutes is amended to read:

7 342.06 (1) (intro.) An application for a certificate of title shall be made to the
8 department upon a form or in an automated format prescribed by it and shall be
9 accompanied by the required fee and any applicable taxes. Information obtained by
10 the department under this subsection shall be provided to the department of revenue
11 for the purposes of administering state taxes and collecting debt. Each application
12 for certificate of title shall include the following information:

13 **SECTION 8.** 342.06 (1) (eg) of the statutes is amended to read:

14 342.06 (1) (eg) Except as provided in par. (eh), if the applicant is an individual,
15 the social security number of the applicant. The department of transportation may
16 not disclose a social security number obtained under this paragraph to any person
17 except to the department of workforce development for the sole purpose of
18 administering s. 49.22 and to the department of revenue for the purposes of
19 administering state taxes and collecting debt.

20 **SECTION 9.** 343.027 of the statutes is amended to read:

21 **343.027 Confidentiality of signatures.** Any signature collected under this
22 chapter may be maintained by the department and shall be kept confidential. ~~The,~~
23 except that the department may release a signature or a facsimile of a signature only
24 to the department of revenue for the purposes of administering state taxes and
25 collecting debt or to the person to whom the signature relates.

BILL

1 **SECTION 10.** 343.14 (1) of the statutes is amended to read:

2 343.14 (1) Every application to the department for a license or identification
3 card or for renewal thereof shall be made upon the appropriate form furnished by the
4 department and shall be accompanied by the required fee. Information obtained by
5 the department under this subsection shall be provided to the department of revenue
6 for the purposes of administering state taxes and collecting debt.

7 **SECTION 11.** 343.14 (2j) (b) of the statutes is amended to read:

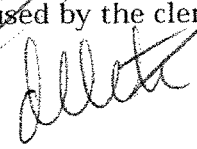
8 343.14 (2j) (b) Except as otherwise required to administer and enforce this
9 chapter, the department of transportation may not disclose a social security number
10 obtained from an applicant for a license under sub. (2) (bm) to any person except to
11 the department of workforce development for the sole purpose of administering s.
12 49.22 or to the department of revenue for the purposes of administering state taxes
13 and collecting debt.

14 **SECTION 12.** 814.60 (1) of the statutes is renumbered 814.60 (1) (a) and
15 amended to read:

16 814.60 (1) (a) In a criminal action, the clerk of circuit court shall collect a fee
17 of \$20 for all necessary filing, entering or recording, to be paid by the defendant when
18 judgment is entered against the defendant. Of the fees received by the clerk of circuit
19 court under this subsection paragraph, the county treasurer shall pay 50% to the
20 state treasurer for deposit in the general fund and shall retain the balance for the
21 use of the county.

22 **SECTION 13.** ~~814.60 (1) (b) of the statutes is created to read:~~

23 ~~814.60 (1) (b) In a criminal action, in addition to the fee collected under par.~~
24 ~~(a), the clerk of circuit court shall collect a surcharge of \$3, to be paid by the defendant~~
25 ~~when judgment is entered against the defendant, to be used by the clerk of circuit~~



BILL

1 court to fund efforts to collect fines, assessments, fees, restitution payments, and
2 surcharges imposed under this section. *delete*

3 **SECTION 14.** 814.63 (1) (a) of the statutes is created to read:

4 814.63 (1) (a) In all forfeiture actions, the clerk of circuit court shall collect a
5 surcharge of \$3, to be paid by the defendant when judgment is entered against the
6 defendant, to be used by the clerk of circuit court to fund efforts to collect the
7 forfeitures, assessments, fees, restitution payments, and surcharges imposed under
8 this section. *delete*

9 **SECTION 15.** 814.63 (1) (b) of the statutes is amended to read:

10 814.63 (1) (b) In all forfeiture actions in circuit court, ~~in addition to the~~ *delete*
11 ~~surcharge collected under par. (a).~~ the clerk of court shall collect a fee of \$25 to be paid
12 by the defendant when judgment is entered against the defendant.

13 **SECTION 16.** 969.02 (2m) of the statutes is created to read:

14 969.02 (2m) The clerk of circuit court may accept a credit card or debit card
15 instead of cash under sub. (2).

16 **SECTION 17.** 969.03 (1) (dm) of the statutes is created to read:

17 969.03 (1) (dm) The clerk of circuit court may accept a credit card or debit card,
18 as defined in s. 59.40 (5) (a), instead of cash under par. (d).

19 **SECTION 18. Initial applicability.**

20 (1) This act first applies to actions commenced on the effective date of this
21 subsection.

22 **SECTION 19. Effective date.**

23 (1) This act takes effect on the first day of the 4th month beginning after
24 publication.

25 (END)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1331/9

MJL/RPN/JK:kj/lg/es:rs

1547/P1

gjs

2003 BILL

SA old ✓
SA new ✓
comp stat ✓
Xref ✓
new CR ✓

2/9

1-11-05

LPS: PWF
all sections
containing
amended text

regen cat

insert

1 AN ACT to renumber and amend 814.60 (1); to amend 59.40 (4), 59.52 (28),
2 71.935 (2), 71.935 (5), 85.103 (6), 342.06 (1) (intro.), 342.06 (1) (eg), 343.027,
3 343.14 (1), 343.14 (2j) (b) and 814.63 (1) (b); and to create 59.40 (5), 814.60 (1)
4 (b), 814.63 (1) (a), 969.02 (2m) and 969.03 (1) (dm) of the statutes; relating to:
5 collection of fees, fines, forfeitures, ~~assessments~~ and surcharges by credit or
6 debit card; setoffs against tax refunds; ~~creation of a late fine and forfeiture~~
7 ~~registry~~ disclosing information obtained by the Department of Transportation
8 to the Department of Revenue; ~~and creation of a fine or forfeiture collection fee~~ ^{service and payment plan fee}

Analysis by the Legislative Reference Bureau

Under current law, when a circuit court (court) imposes a fine or forfeiture on a person for the violation of a state law or local ordinance, the person is also required to pay certain ~~assessments, restitution payments~~ and surcharges, depending on the type of violation involved. For example, in a criminal case, the defendant must pay a \$20 fee to the court for all necessary filing, entering, or recording done by the court. Currently, the clerk of circuit court (clerk) must collect the amount owed and pay that amount to the county treasurer, but the clerk may contract with a collection agency to collect unpaid fines and forfeitures. The collection agency is paid for its services from the proceeds collected.

BILL

of circuit court

and to charge a fee for that service. The clerk of circuit court may also charge a fee for establishing and monitoring a payment plan ordered by the court.

This bill allows the county to hire a debt collector (a business or individual who engages in debt collection), instead of a collection agency, to collect unpaid fines and forfeitures. In addition, the clerk must collect an additional \$3 in all criminal and forfeiture actions, to be used by the clerk to fund efforts to collect unpaid assessments, fees, fines, forfeitures, restitution payments, and surcharges. The bill also allows the clerk to accept credit cards and debit cards for any required payment to the clerk and for the payment of bail.

Under current law, if a person owes a debt related to unpaid fines, fees, or forfeitures to a county or municipality, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt for the county or municipality by subtracting the amount of the debt from any tax refund owed to the debtor. DOR charges the county or municipality an administrative fee for collecting a certified debt. Under the bill, DOR charges the person who owes the certified debt an administrative fee for collecting the debt, rather than charging the county or municipality that certifies the debt.

Under the bill, the Department of Transportation ^{must} disclose any information that it obtains from driver's license and vehicle title applications to DOR for the purposes of administering state taxes and collecting debt, including social security numbers and signatures.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 59.40 (4) of the statutes is amended to read:

2 59.40 (4) ~~CLERK OF CIRCUIT COURT; COLLECTION AGENCY~~ DEBT COLLECTOR CONTRACT.

3 If authorized by the board under s. 59.52 (28), the clerk of circuit court may contract
4 with a ~~collection agency~~ debt collector, as defined in s. 427.103 (3), for the collection
5 of unpaid fines and forfeitures. Any contract entered into shall provide that the
6 ~~collection agency~~ debt collector shall be paid from the proceeds recovered by the
7 ~~collection agency~~ debt collector. The net proceeds received by the clerk of circuit court
8 after the payment to the ~~collection agency~~ debt collector shall be considered the
9 amount of fines and forfeitures collected for purposes of distribution to the state and
10 county under sub. (2) (m).

11 **SECTION 2.** 59.40 (5) of the statutes is created to read:

BILL

(5)

✓ ; PAYMENT PLANS

1 59.40 (5) CLERK OF CIRCUIT COURT; CREDIT AND DEBIT CARDS (a) In this subsection: ✓

2 1. "Credit card" means a card or other similar device existing for the purpose
3 of obtaining money, property, or services on credit under an open-end credit
4 agreement.

5 2. "Debit card" means a card or other similar device existing for the purpose of ✓
6 obtaining money, property, or services through the use of a depository-institution
7 access device.

8 3. "Depository-institution access device" means a terminal or other facility or
9 installation, attended or unattended, that is not located at the principal place of
10 business or at a branch or remote facility of a depository institution and through
11 which depository institutions and their customers may engage, by means of either
12 the direct transmission of electronic impulses to and from a depository institution or
13 the recording of electronic impulses or other indicia of a transaction for delayed
14 transmission to a depository institution, in transactions that are incidental to the
15 conduct of the business of a depository institution. ✓

16 4. "Open-end credit agreement" means an agreement under which credit is
17 extended on an account and under which all of the following are true:

18 a. The debtor may make purchases or obtain loans, from time to time, directly
19 from the creditor or indirectly by use of a credit card, check, or other device, as the
20 plan may provide. ✓

21 b. The debtor has the privilege of paying the balance in full or in installments. ✓

22 c. The creditor may from time to time assess a charge, computed on any
23 outstanding unpaid balance. ✓

24 (b) The clerk of circuit court may accept a credit card or debit card for any
25 required payment to the clerk of circuit court and may charge and collect a \$5/service

reasonable
✓

BILL

The county board shall establish the amount of the service fee which shall be retained by the county.

SECTION 2

fee for the use of a credit card or debit card. The clerk of court shall deposit the \$5 service fee in the clerk of court's account.

Insert 4-2 ->

SECTION 3. 59.52 (28) of the statutes is amended to read:

59.52 (28) COLLECTION OF COURT IMPOSED PENALTIES. The board may adopt a resolution authorizing the clerk of circuit court, under s. 59.40 (4), to contract with a collection agency debt collector, as defined in s. 427.103 (3), for the collection of unpaid fines and forfeitures.

SECTION 4. 71.935 (2) of the statutes is amended to read:

71.935 (2) A municipality or county may certify to the department any debt owed to it. Not later than 5 days after certification, the municipality or county shall notify the debtor in writing of its certification of the debt to the department, of the basis of the certification and of the debtor's right to appeal and, in the case of parking citations, of the debtor's right to contest the citation. At the time of certification, the municipality or county shall furnish to the department the name and social security number or operator's license number of each individual debtor and the name and federal employer identification number of each other debtor.

SECTION 5. 71.935 (5) of the statutes is amended to read:

71.935 (5) At the time of each settlement, each municipality and county debtor shall be charged for administration expenses, and the amounts charged shall be credited to the appropriation account under s. 20.566 (1) (h). The department may set off amounts charged to the debtor under this subsection against any refund owed to the debtor, as provided in sub. (3). Annually on or before November 1, the department shall review its costs incurred during the previous fiscal year in administering setoffs under this section and shall adjust its subsequent charges to each municipality and county debtor to reflect that experience.

in the manner provided

BILL

1 **SECTION 6.** 85.103 (6) of the statutes is amended to read:

2 85.103 (6) The department may disclose the personal identifier of any person
3 who has made a designation under sub. (2) or (3) if the department discloses the
4 personal identifier under s. 341.17 (9), 342.06, 343.027, 343.14, 343.234, 343.235,
5 343.24 (3) and (4), or 343.245 (3m).

6 **SECTION 7.** 342.06 (1) (intro.) of the statutes is amended to read:

7 342.06 (1) (intro.) An application for a certificate of title shall be made to the
8 department upon a form or in an automated format prescribed by it and shall be
9 accompanied by the required fee and any applicable taxes. Information obtained by
10 the department under this subsection shall be provided to the department of revenue
11 for the purposes of administering state taxes and collecting debt. Each application
12 for certificate of title shall include the following information:

13 **SECTION 8.** 342.06 (1) (eg) of the statutes is amended to read:

14 342.06 (1) (eg) Except as provided in par. (eh), if the applicant is an individual,
15 the social security number of the applicant. The department of transportation may
16 not disclose a social security number obtained under this paragraph to any person
17 except to the department of workforce development for the sole purpose of
18 administering s. 49.22 and to the department of revenue for the purposes of
19 administering state taxes and collecting debt.

20 **SECTION 9.** 343.027 of the statutes is amended to read:

21 **343.027 Confidentiality of signatures.** Any signature collected under this
22 chapter may be maintained by the department and shall be kept confidential. ~~The,~~
23 except that the department ^{shall} may release a signature or a facsimile of a signature only
24 to the department of revenue for the purposes of administering state taxes and
25 collecting debt or to the person to whom the signature relates.

BILL

1 **SECTION 10.** 343.14 (1) of the statutes is amended to read:

2 343.14 (1) Every application to the department for a license or identification
3 card or for renewal thereof shall be made upon the appropriate form furnished by the
4 department and shall be accompanied by the required fee. Information obtained by
5 the department under this subsection shall be provided to the department of revenue
6 for the purposes of administering state taxes and collecting debt.

7 **SECTION 11.** 343.14 (2j) (b) of the statutes is amended to read:

8 343.14 (2j) (b) Except as otherwise required to administer and enforce this
9 chapter, the department of transportation may not disclose a social security number
10 obtained from an applicant for a license under sub. (2) (bm) to any person except to
11 the department of workforce development for the sole purpose of administering s.
12 49.22 or to the department of revenue for the purposes of administering state taxes
13 and collecting debt.

14 **SECTION 12.** 814.60 (1) of the statutes is renumbered 814.60 (1) (a) and
15 amended to read:

16 814.60 (1) (a) In a criminal action, the clerk of circuit court shall collect a fee
17 of \$20 for all necessary filing, entering or recording, to be paid by the defendant when
18 judgment is entered against the defendant. Of the fees received by the clerk of circuit
19 court under this subsection paragraph, the county treasurer shall pay 50% to the
20 state treasurer for deposit in the general fund and shall retain the balance for the
21 use of the county.

22 **SECTION 13.** 814.60 (1) (b) of the statutes is created to read:

23 814.60 (1) (b) In a criminal action, in addition to the fee collected under par.
24 (a), the clerk of circuit court shall collect a ^{fee} surcharge of \$3, to be paid by the defendant
25 when judgment is entered against the defendant, to be used by the clerk of circuit

BILL

1 court to fund efforts to collect fines, assessments, fees, restitution payments, and
2 surcharges imposed under this section.

3 **SECTION 14.** 814.63 (1) (a) of the statutes is created to read:

4 814.63 (1) (a) In all forfeiture actions, the clerk of circuit court shall collect a
5 ^{fee} surcharge of \$3, to be paid by the defendant when judgment is entered against the
6 defendant, to be used by the clerk of circuit court to fund efforts to collect the
7 forfeitures, assessments, fees, restitution payments, and surcharges imposed under
8 this section.

9 **SECTION 15.** 814.63 (1) (b) of the statutes is amended to read:

10 814.63 (1) (b) In all forfeiture actions in circuit court, in addition to the
11 surcharge ^{fee} collected under par. (a), the clerk of court shall collect a fee of \$25 to be paid
12 by the defendant when judgment is entered against the defendant.

13 **SECTION 16.** 969.02 (2m) of the statutes is created to read:

14 969.02 (2m) The clerk of circuit court may accept a credit card or debit card
15 instead of cash under sub. (2). *was defined in s. 59.40(5)(a),*

16 **SECTION 17.** 969.03 (1) ^(1m) ~~(1)(a)~~ of the statutes is created to read:

17 969.03 ^(1m) ~~(1)(a)~~ The clerk of circuit court may accept a credit card or debit card,
18 as defined in s. 59.40 (5) (a), ^{1. and 2.} instead of cash under ^{sub.(1)} par. (d). *(as defined in s. 59.40 (5)(a) 1, 1, and 2.5)*

19 **SECTION 18. Initial applicability.** *payments*

20 (1) This act first applies to *Payments* actions commenced on the effective date of this
21 subsection.

22 **SECTION 19. Effective date.**

23 (1) This act takes effect on the first day of the 4th month beginning after
24 publication.

**2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1547/?ins
RPN:.....

1 insert 4-2:

2 (c) The clerk of circuit court may charge and collect a fee for the establishment
3 and monitoring of a payment plan for persons ordered to make payments to the clerk
4 of circuit court. The amount of the fee may not exceed \$15 and shall be on a sliding
5 scale based on the person's ability to pay in view of the person's income. ✓



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1547/P1
RPN&MJL&JK:cjs:rs

Now

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

2005 Bill

SA ✓

Revised

1 **AN ACT to amend** 59.40 (4), 59.52 (28), 71.935 (2), 71.935 (5), 85.103 (6), 342.06
2 (1) (intro.), 342.06 (1) (eg), 343.027, 343.14 (1) and 343.14 (2j) (b); and **to create**
3 59.40 (5), 969.02 (2m) and 969.03 (1m) of the statutes; **relating to:** collection
4 of fees, fines, forfeitures, and surcharges by credit or debit card; setoffs against
5 tax refunds; disclosing information obtained by the Department of
6 Transportation to the Department of Revenue; and creation of a fine or
7 forfeiture service fee and a payment plan fee.

Analysis by the Legislative Reference Bureau

Under current law, when a circuit court (court) imposes a fine or forfeiture on a person for the violation of a state law or local ordinance, the person is also required to pay certain fees and surcharges, depending on the type of violation involved. For example, in a criminal case, the defendant must pay a \$20 fee to the court for all necessary filing, entering, or recording done by the court. Currently, the clerk of circuit court (clerk) must collect the amount owed and pay that amount to the county treasurer, but the clerk may contract with a collection agency to collect unpaid fines and forfeitures. The collection agency is paid for its services from the proceeds collected.

This bill allows the county to hire a debt collector (a business or individual who engages in debt collection), instead of a collection agency, to collect unpaid fines and

forfeitures. The bill allows the clerk of circuit court to accept credit cards and debit cards for any required payment to the clerk and for the payment of bail and to charge a fee for that service. The clerk of circuit court may also charge a fee for establishing and monitoring a payment plan ordered by the court.

Under current law, if a person owes a debt related to unpaid fines, fees, or forfeitures to a county or municipality, the county or municipality may certify the debt to the Department of Revenue (DOR) so that DOR may collect the debt for the county or municipality by subtracting the amount of the debt from any tax refund owed to the debtor. DOR charges the county or municipality an administrative fee for collecting a certified debt. Under the bill, DOR charges the person who owes the certified debt an administrative fee for collecting the debt, rather than charging the county or municipality that certifies the debt.

Under the bill, the Department of Transportation must disclose any information that it obtains from driver's license and vehicle title applications to DOR for the purposes of administering state taxes and collecting debt, including social security numbers and signatures.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 59.40 (4) of the statutes is amended to read:

2 59.40 (4) CLERK OF CIRCUIT COURT; ~~COLLECTION AGENCY~~ DEBT COLLECTOR CONTRACT.

3 If authorized by the board under s. 59.52 (28), the clerk of circuit court may contract
4 with a ~~collection agency~~ debt collector, as defined in s. 427.103 (3), for the collection
5 of unpaid fines and forfeitures. Any contract entered into shall provide that the
6 ~~collection agency~~ debt collector shall be paid from the proceeds recovered by the
7 ~~collection agency~~ debt collector. The net proceeds received by the clerk of circuit court
8 after the payment to the ~~collection agency~~ debt collector shall be considered the
9 amount of fines and forfeitures collected for purposes of distribution to the state and
10 county under sub. (2) (m).

11 SECTION 2. 59.40 (5) of the statutes is created to read:

1 59.40 (5) CLERK OF CIRCUIT COURT; CREDIT AND DEBIT CARDS; PAYMENT PLANS. (a)

2 In this subsection:

3 1. “Credit card” means a card or other similar device existing for the purpose
4 of obtaining money, property, or services on credit under an open-end credit
5 agreement.6 2. “Debit card” means a card or other similar device existing for the purpose of
7 obtaining money, property, or services through the use of a depository-institution
8 access device.9 3. “Depository-institution access device” means a terminal or other facility or
10 installation, attended or unattended, that is not located at the principal place of
11 business or at a branch or remote facility of a depository institution and through
12 which depository institutions and their customers may engage, by means of either
13 the direct transmission of electronic impulses to and from a depository institution or
14 the recording of electronic impulses or other indicia of a transaction for delayed
15 transmission to a depository institution, in transactions that are incidental to the
16 conduct of the business of a depository institution.17 4. “Open-end credit agreement” means an agreement under which credit is
18 extended on an account and under which all of the following are true:19 a. The debtor may make purchases or obtain loans, from time to time, directly
20 from the creditor or indirectly by use of a credit card, check, or other device, as the
21 plan may provide.

22 b. The debtor has the privilege of paying the balance in full or in installments.

23 c. The creditor may from time to time assess a charge, computed on any
24 outstanding unpaid balance.

SECTION 2

1 (b) The clerk of circuit court may accept a credit card or debit card for any
2 required payment to the clerk of circuit court and may charge and collect a
3 reasonable service fee for the use of a credit card or debit card. The county board shall
4 establish the amount of the service fee, which shall be retained in full by the county.

5 (c) The clerk of circuit court may charge and collect a fee for the establishment
6 and monitoring of a payment plan for persons ordered to make payments to the clerk
7 of circuit court. The amount of the fee may not exceed \$15 and shall be on a sliding
8 scale based on the person's ability to pay in view of the person's income.

9 **SECTION 3.** 59.52 (28) of the statutes is amended to read:

10 59.52 (28) COLLECTION OF COURT IMPOSED PENALTIES. The board may adopt a
11 resolution authorizing the clerk of circuit court, under s. 59.40 (4), to contract with
12 a ~~collection agency~~ debt collector, as defined in s. 427.103 (3), for the collection of
13 unpaid fines and forfeitures.

14 **SECTION 4.** 71.935 (2) of the statutes is amended to read:

15 71.935 (2) A municipality or county may certify to the department any debt
16 owed to it. Not later than 5 days after certification, the municipality or county shall
17 notify the debtor in writing of its certification of the debt to the department, of the
18 basis of the certification and of the debtor's right to appeal and, in the case of parking
19 citations, of the debtor's right to contest the citation. At the time of certification, the
20 municipality or county shall furnish to the department the name and social security
21 number or operator's license number of each individual debtor and the name and
22 federal employer identification number of each other debtor.

23 **SECTION 5.** 71.935 (5) of the statutes is amended to read:

24 71.935 (5) At the time of each settlement, each ~~municipality and county~~ debtor
25 shall be charged for administration expenses, and the amounts charged shall be

1 credited to the appropriation account under s. 20.566 (1) (h). The department may
2 set off amounts charged to the debtor under this subsection against any refund owed
3 to the debtor, in the manner provided in sub. (3). Annually on or before November
4 1, the department shall review its costs incurred during the previous fiscal year in
5 administering setoffs under this section and shall adjust its subsequent charges to
6 each ~~municipality and county~~ debtor to reflect that experience.

7 **SECTION 6.** 85.103[✓] (6) of the statutes is amended to read:

8 85.103 (6) The department may disclose the personal identifier of any person
9 who has made a designation under sub. (2) or (3) if the department discloses the
10 personal identifier under s. 341.17 (9), 342.06, 343.027, 343.14, 343.234, 343.235,
11 343.24 (3) and (4), or 343.245 (3m).

12 **SECTION 7.** 342.06[✓] (1) (intro.) of the statutes is amended to read:

13 342.06 (1) (intro.) An application for a certificate of title shall be made to the
14 department upon a form or in an automated format prescribed by it and shall be
15 accompanied by the required fee and any applicable taxes. Information obtained by
16 the department under this subsection shall be provided to the department of revenue
17 for the purposes of administering state taxes and collecting debt. Each application
18 for certificate of title shall include the following information:

19 **SECTION 3.** 342.06[✓] (1) (eg) of the statutes is amended to read:

20 342.06 (1) (eg) Except as provided in par. (eh), if the applicant is an individual,
21 the social security number of the applicant. The department of transportation may
22 not disclose a social security number obtained under this paragraph to any person
23 except to the department of workforce development for the sole purpose of
24 administering s. 49.22 and to the department of revenue for the purposes of
25 administering state taxes and collecting debt.

1 **SECTION 9.** 343.027 of the statutes is amended to read:

2 **343.027 Confidentiality of signatures.** Any signature collected under this
3 chapter may be maintained by the department and shall be kept confidential.—The,
4 except that the department may shall release a signature or a facsimile of a signature
5 only to the department of revenue for the purposes of administering state taxes and
6 collecting debt or to the person to whom the signature relates.

7 **SECTION 10.** 343.14 (1) of the statutes is amended to read:

8 343.14 (1) Every application to the department for a license or identification
9 card or for renewal thereof shall be made upon the appropriate form furnished by the
10 department and shall be accompanied by the required fee. Information obtained by
11 the department under this subsection shall be provided to the department of revenue
12 for the purposes of administering state taxes and collecting debt.

13 **SECTION 11.** 343.14 (2j) (b) of the statutes is amended to read:

14 343.14 (2j) (b) Except as otherwise required to administer and enforce this
15 chapter, the department of transportation may not disclose a social security number
16 obtained from an applicant for a license under sub. (2) (bm) to any person except to
17 the department of workforce development for the sole purpose of administering s.
18 49.22 or to the department of revenue for the purposes of administering state taxes
19 and collecting debt.

20 **SECTION 12.** 969.02 (2m) of the statutes is created to read:

21 969.02 (2m) The clerk of circuit court may accept a credit card or debit card,
22 as defined in s. 59.40 (5) (a) and 1. and 2., instead of cash under sub. (2).

23 **SECTION 13.** 969.03 (1m) of the statutes is created to read:

24 969.03 (1m) The clerk of circuit court may accept a credit card or debit card,
25 as defined in s. 59.40 (5) (a) 1. and 2., instead of cash under sub. (1) (d).

