

SUPREME COURT OF IOWA

State v. Erdman

727 N.W.2d 123 (Iowa 2007) · No. No. 04-1661 · Decided February 2, 2007

SUMMARY

The Iowa Supreme Court held that a district associate court lacked subject matter jurisdiction to enter a judgment exceeding \$10,000 on a forfeited bail bond. It concluded that an action to reduce a forfeited bail bond to judgment is a civil action for a money judgment, subject to the associate court's statutory jurisdictional limit. The court vacated the \$26,500 judgment and remanded for further proceedings.

CASE DETAILS

COURT	Supreme Court of Iowa
WRITING FOR THE COURT	Hecht, Justice; Appel, Justice; other justices of the Supreme Court of Iowa
JURISDICTION	Iowa
DECIDED	February 2, 2007
DOCKET	No. 04-1661
DISPOSITION	vacated
PROCEDURAL POSTURE	Ranger Insurance Company and its agent, Always Affordable Bail Bonds, Inc., appealed a judgment entered on a forfeited \$26,500 appearance bond. The Supreme Court of Iowa reviewed the district associate court's subject matter jurisdiction and the judgment's validity.
STANDARD OF REVIEW	Subject matter jurisdiction rulings are reviewed for correction of errors at law. Whether to enter judgment on a forfeited bail bond after a showing of cause is committed to the district court's discretion.
PRECEDENTIAL VALUE	Published Iowa Supreme Court opinion; precedential.
PARTIES	Always Affordable Bail Bonds, Inc., Ranger Insurance Company v. State of Iowa

TOPICS

- subject matter jurisdiction
- civil procedure
- forfeiture
- bail
- criminal procedure

PRACTICE AREAS

civil procedure

criminal procedure

bail and bond forfeiture

QUESTIONS PRESENTED

1. Whether a district associate court has subject matter jurisdiction to enter a money judgment exceeding \$10,000 on a forfeited bail bond.
2. Whether the Supreme Court of Iowa should decide whether the district court abused its discretion by denying the surety's opportunity to participate in the forfeiture hearing through a nonlawyer agent.

HOLDINGS

1. A proceeding in which the State seeks judgment on a forfeited bail bond is a civil action seeking a money judgment, and a district associate court's jurisdiction is limited to forfeited bonds not exceeding \$10,000. The \$26,500 judgment was therefore void for lack of subject matter jurisdiction.
2. The court did not reach whether the district court erred by denying Always Affordable and Ranger the opportunity to participate in the forfeiture hearing through their nonlawyer agent because the issue was not expected to recur on remand.

KEY QUOTATIONS

"A proceeding in which the State seeks judgment on a bail bond is a civil action." (125)

"We conclude that the associate district court's jurisdiction to enter judgment on forfeited bail bonds is confined to cases in which the forfeited bond does not exceed \$10,000." (125)

"Having decided that the judgment entered in this case is void for lack of jurisdiction, we must decide an appropriate disposition." (126)

FACTUAL BACKGROUND

Erdman was charged with two forgeries and two identity thefts in Story County and released on a \$26,500 appearance bond issued by Ranger through its agent, Always Affordable. While released, she was arrested on unrelated charges in Marion County and jailed there. She consequently failed to appear in Story County, prompting forfeiture of the bond and entry of a \$26,500 judgment when neither Erdman nor her surety appeared at the scheduled hearing.

PROCEDURAL HISTORY

Khrista Kay Erdman was charged in Story County and released on a \$26,500 appearance bond issued by Ranger through Always Affordable. After Erdman failed to appear, the district associate judge forfeited the bond and entered judgment against Erdman and Ranger for \$26,500. The court denied the surety's motion to set aside the judgment, and Always Affordable and Ranger appealed. The Supreme Court of Iowa held that the associate court lacked subject matter jurisdiction because its civil jurisdiction over money judgments was limited to amounts not exceeding \$10,000, vacated the judgment, and remanded.

DISPOSITION

vacated

REMAND INSTRUCTIONS

The case was remanded to the district court for further proceedings consistent with the opinion, including determination under Iowa Code section 811.6(1) whether the defendant or sureties can show cause why judgment should not be entered on the forfeited bond.

CASES CITED

- Tigges v. City of Ames, 356 N.W.2d 503, 512 (Iowa 1984)
- Smith v. Smith, 646 N.W.2d 412, 414 (Iowa 2002)
- Powell v. Khodari-Intergreen Co., 303 N.W.2d 171, 173 (Iowa 1981)
- State v. Costello, 489 N.W.2d 735, 738 (Iowa 1992)
- State v. Zylstra, 263 N.W.2d 529, 531 (Iowa 1978)
- State v. Wiederien, 709 N.W.2d 538, 541 (Iowa 2006)
- Auen v. Alcoholic Beverages Div., 679 N.W.2d 586, 590 (Iowa 2004)
- State v. Shell, 242 Iowa 260, 264, 45 N.W.2d 851, 854 (1951)
- State v. Dodd, 346 N.W.2d 42, 42 (Iowa Ct. App. 1984)