

**CHAPTER 1129**  
**EMPLOYER-PROVIDED HEALTH BENEFITS**  
*H.F. 2416*

**AN ACT** relating to employee continuation rights under an employer-provided health benefit plan and to employer liability for breaking an agreement to provide a health benefit plan for employees.

*Be It Enacted by the General Assembly of the State of Iowa:*

**Section 1. NEW SECTION. 91B.1 EMPLOYEE HEALTH BENEFIT PLANS.**

1. As used in this section:
  - a. "Employee" means an employee as defined in section 91A.2.
  - b. "Employer" means an employer as defined in section 91A.2.
  - c. "Health benefit plan" means a plan or agreement provided by an employer for employees for the provision of or payment for care and treatment of sickness or injury.
2. If an employer in this state provides any health benefit plan, the employer shall provide employees, who have been enrolled in the plan for at least six months and whose coverage would otherwise terminate because of temporary layoff or approved leave of absence, with the right to voluntarily continue their coverage in the health benefit plan at their own expense, unless the plan itself is terminated as provided in subsection 3, for the period of the temporary layoff or approved leave of absence for a period not to exceed six months. Employers shall notify all covered employees of their continuation rights, and employees choosing to continue coverage shall be required to remit the required coverage payment to the employer on or before the date the employer is required to make payments to a third party related to the health benefit plan. An employer also satisfies the requirements of this subsection by providing a health benefit plan containing continuation rights no less favorable to employees than required by this subsection.
3. If an employer terminates or substantially modifies an agreement to provide a health benefit plan for employees, or if a health benefit plan for employees is terminated for failure to pay premium or for another reason, the employer shall notify the covered employees whether active, temporarily laid off, or on approved leave of absence of the termination or substantial modification of their coverage. The notice shall be in writing and delivered in person to the employees or mailed to the employees' last known addresses at least fourteen days prior to the termination or substantial modification of the health benefit plan. The employer is solely liable for benefits, including extended benefits, which would have been payable to a covered employee had the health benefit plan remained in force and not been terminated or substantially modified during the period of time following the termination or substantial modification of the health benefit plan until the employee is given notice by the employer as required by this subsection.
4. The employer is also solely liable for benefits, including extended benefits, which would have been payable had the health benefit plan been in force and the employee covered during the period of time the employer failed to implement a health benefit plan which the employer

had agreed with its employees to provide, until the employer gives its employees notice of its failure or inability to provide the agreed health benefit plan. The notice shall be in writing and delivered in person to the employees or mailed to the employees' last known addresses.

5. The employer is also solely liable for benefits, including extended benefits, which would have been payable had the health benefit plan been in force and the employee covered under the health benefit plan during a period of time for which the employer has collected contributions through payroll, withholding, or otherwise, but has failed to enroll the employee, unless the employer has given the employee actual notice that the employee's enrollment in the plan will not become effective until a later date or until the employee's application for enrollment has been approved.

6. Expenses incurred by an employee for which an employer is liable under this section may be assigned to and are recoverable as wages by the labor commissioner under chapter 91A.

Sec. 2. Section 91A.2, subsection 4, Code 1983, is amended by adding the following new lettered paragraph:

NEW LETTERED PARAGRAPH. d. Expenses incurred and recoverable under a health benefit plan as defined in and as provided in chapter 91B.

Approved April 20, 1984

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## CHAPTER 1130

### LIENS FOR SELF-SERVICE STORAGE FACILITIES

S.F. 163

**AN ACT** creating a possessory lien on personal property in a self-service storage facility and establishing a method for enforcing the lien.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. NEW SECTION. 578A.1 **SHORT TITLE.** This Act shall be known as the "Iowa Self-Service Storage Facility Lien Act".

Sec. 2. NEW SECTION. 578A.2 **DEFINITIONS.** As used in this chapter, unless the context clearly requires otherwise:

1. "Self-service storage facility" means real property designed and used for the purpose of renting or leasing individual storage space to occupants who are to have access to the space for the purpose of storing personal property. If an owner issues a warehouse receipt, bill of lading, or other document of title for the personal property stored, the owner and the occupant are subject to chapter 554, article 7 and this chapter does not apply.

2. "Owner" means the owner, operator, lessor, or sub-lessor of a self-service storage facility, the agent, or any other person authorized by the owner to manage the facility, or to receive rent from an occupant under a rental agreement.

3. "Occupant" means a person, in privity with the owner, entitled to the use to the exclusion