

# House File 383 - Introduced

HOUSE FILE \_\_\_\_\_  
BY ANDERSON and FORRISTALL

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the payment of interest on certain workers'  
2 compensation benefit payments and providing an applicability  
3 date.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 2348HH 82  
6 av/gg/14

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1 1 Section 1. Section 535.3, subsection 1, Code 2007, is  
1 2 amended to read as follows:  
1 3 1. Interest shall be allowed on all money due on judgments  
1 4 and decrees of courts at a rate calculated according to  
1 5 section 668.13, ~~except for. However,~~ interest due pursuant to  
1 6 section 85.30 ~~for which the rate shall be ten percent per year~~  
1 7 ~~shall accrue from the date each compensation payment is due at~~  
1 8 ~~a yearly rate equal to the one-year treasury constant maturity~~  
1 9 ~~published by the federal reserve in the H15 report settled~~  
1 10 ~~immediately prior to or on July 1 plus two percent. This rate~~  
1 11 ~~is applicable to all such compensation payments due during~~  
1 12 ~~each fiscal year beginning on July 1 and ending the following~~  
1 13 ~~June 30.~~

1 14 Sec. 2. APPLICABILITY DATE. This Act is applicable to  
1 15 compensation payments due for personal injuries arising out of  
1 16 and in the course of employment under chapters 85, 85A, and  
1 17 85B that occur on or after July 1, 2007.

1 18 EXPLANATION

1 19 This bill amends Code section 535.3 to provide that the  
1 20 interest rate on overdue payments of weekly workers'  
1 21 compensation benefits pursuant to Code section 85.30 shall  
1 22 accrue from the date each such payment is due at a yearly rate  
1 23 equal to the one-year treasury constant maturity published by  
1 24 the federal reserve in the H15 report settled immediately  
1 25 prior to or on July 1 plus 2 percent. This is the same rate  
1 26 of interest that is allowed on judgments and decrees of  
1 27 courts. Currently, the interest rate for such overdue  
1 28 payments is 10 percent per year.

1 29 The bill also provides that the interest rate is applicable  
1 30 to all such compensation payments due during each fiscal year  
1 31 beginning on July 1 and ending the following June 30 for  
1 32 personal injuries arising out of and in the course of  
1 33 employment that occur on or after July 1, 2007.

1 34 LSB 2348HH 82

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