

February 27, 1956.
Social Security.

House File 413

By LISLE, McNEAL, NADEN, NOVAK,
PETRUCCELLI, and RIEHM.

Passed House, Date..... Passed Senate, Date
Vote: Ayes Nays..... Vote: Ayes Nays
Approved

A BILL FOR

An Act to amend chapter ninety-six (96), Code 1954, as amended, relating to unemployment compensation: increasing the maximum weekly benefit amount to thirty-two (\$32.00) dollars and the minimum to ten (\$10.00) dollars; increasing the maximum duration of benefits to twenty-six (26) weeks; providing for the determination and payment of benefits; the qualification, eligibility and the limitation of disqualification for benefits; the manner of computing employer's tax rates and charging benefits paid to employer's reserve accounts; and notice to employers of benefit payments, and the correction of errors; defining "computation"; and redefining "annual payroll" and "average annual payroll".

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

1 Section 1. Section ninety-six point three (96.3), Code
2 1954, as amended, is amended as follows:
3 1. By striking subsection four (4), as amended by section
4 one (1), chapter seventy-nine (79), Acts of the Fifty-sixth
5 General Assembly, and inserting in lieu thereof the following:
6 "4. Determination of benefit. The weekly benefit amount of
7 any individual shall be the amount appearing in the following
8 schedule in Column B opposite the wage bracket stated in Column A
9 stating the total wages for insured work paid to such individual
10 during the calendar quarter of his base period in which such
11 total wages were the highest:

12	A	B
13	HIGH QUARTER WAGES	WEEKLY BENEFIT
14	\$100.00-\$200.00	\$10.00

15	200.01- 210.00	10.50
16	210.01- 220.00	11.00
17	220.01- 230.00	11.50
18	230.01- 240.00	12.00
19	240.01- 250.00	12.50
20	250.01- 260.00	13.00
21	260.01- 270.00	13.50
22	270.01- 280.00	14.00
23	280.01- 290.00	14.50
24	290.01- 300.00	15.00
25	300.01- 310.00	15.50
26	310.01- 320.00	16.00
27	320.01- 330.00	16.50
28	330.01- 340.00	17.00
29	340.01- 350.00	17.50
30	350.01- 360.00	18.00
31	360.01- 370.00	18.50
32	370.01- 380.00	19.00
33	380.01- 390.00	19.50
34	390.01- 400.00	20.00
35	400.01- 410.00	20.50
36	410.01- 420.00	21.00
37	420.01- 430.00	21.50
38	430.01- 440.00	22.00
39	440.01- 450.00	22.50
40	450.01- 460.00	23.00
41	460.01- 470.00	23.50
42	470.01- 480.00	24.00
43	480.01- 490.00	24.50

44	490.01- 500.00	25.00
45	500.01- 510.00	25.50
46	510.01- 520.00	26.00
47	520.01- 530.00	26.50
48	530.01- 540.00	27.00
49	540.01- 550.00	27.50
50	550.01- 560.00	28.00
51	560.01- 570.00	28.50
52	570.01- 580.00	29.00
53	580.01- 590.00	29.50
54	590.01- 600.00	30.00
55	600.01- 620.00	30.50
56	620.01- 640.00	31.00
57	640.01- 660.00	31.50
58	660.01 and over	32.00."

59 2. By striking subsection five (5), as amended by section
 60 two hundred eighty-three (283), chapter seventy-nine (79), Acts
 61 of the Fifty-sixth General Assembly, and inserting in lieu
 62 thereof the following:

63 "5. The maximum total amount of benefits payable to any
 64 eligible individual during any benefit year shall not exceed the
 65 total of the wage credits accrued to his account during his base
 66 period, or twenty-six (26) times his weekly benefit amount,
 67 whichever is the lesser. The commission shall maintain a separate
 68 account for each individual who earns wages in insured work
 69 subsequent to December 21, 1936. After the expiration of each
 70 calendar quarter, the commission will compute wage credits for
 71 each individual by crediting his account with one-third ($\frac{1}{3}$) of
 72 the wages for insured work paid him during such quarter, or his

73 weekly benefit amount multiplied by six point five (6.5) per
74 quarter, whichever is the lesser. Benefits paid to an eligible
75 individual shall be charged against the base period wage credits
76 in his account which have not previously been charged hereunder,
77 in the same chronological order as the wages on which such wage
78 credits are based were paid."

1 Sec. 2 Section ninety-six point four (96.4), Code 1954,

2 is amended as follows:

3 1. By striking subsection three (3) and inserting in lieu
4 thereof the following:

5 "3. He is physically and mentally able to work, is
6 available for work, and is earnestly and actively seeking work on
7 his own behalf."

8 2. By striking subsection five (5) and inserting in lieu
9 thereof the following:

10 "5. He has within his base period been paid wages in
11 insured work in an amount equal to not less than twenty (20)
12 times his weekly benefit amount, provided that he has been paid
13 wages in insured work in an amount not less than ten (10) times
14 his weekly benefit amount during any two quarters of his base
15 period other than that calendar quarter in which he was paid his
16 highest base period wages."

1 Sec. 3 Section ninety-six point five (96.5), Code 1954, is
2 amended by adding to subsection one (1) the following paragraph:

3 "d. He has been laid off from his regular employment and
4 has taken other employment which proved to be unsuitable. If so
5 found by the commission, he shall forfeit only the credits he may
6 have earned in said unsuitable employment."

1 Sec. 4. Section ninety-six point six (96.6), Code 1954, is

2 hereby amended by adding thereto the following subsections:

3 "13. Copies of benefit checks. Effective October 1, 1958.
4 the commission shall at the time of the issuance of benefit
5 checks also send to each employer copies of all benefit checks
6 chargeable to his account. Such copies shall show the name and
7 social security account number of the payee, the amount paid,
8 the date of issuance, the week of unemployment for which the
9 check was issued, the name or account number of the employer,
10 and, upon request, a code designation of the place of employment
11 by the employer and such additional information permitted by law
12 as may be deemed pertinent."

13 "14. Correction. The receipt of a copy of each benefit
14 check, as provided in subsection thirteen (13) above, issued to
15 any employee or former employee shall be considered a notice to
16 the employer or former employer of a determination by the
17 commission that the claimant receiving the check was, during the
18 compensable period covered thereby, eligible and qualified for
19 benefits and any employer within seven (7) days of the date of
20 mailing of a copy of a benefit check may protest by requesting a
21 redetermination as to such eligibility or qualification. Upon
22 receipt of such protest or request, the commission shall
23 investigate and redetermine whether the claimant is eligible and
24 qualified as to the period covered by such check. If, upon such
25 redetermination, the claimant is found ineligible or not
26 qualified, the commission shall investigate and determine whether
27 the claimant obtained benefits (during any of the preceding
28 consecutive weeks within the series of consecutive weeks in which
29 claimant received benefits which includes the week covered by
30 such redetermination) improperly as the result of administrative

31 error, false statement, misrepresentation, or non-disclosure of a
32 material fact. If the commission finds that the claimant has
33 obtained such benefits through administrative error, false
34 statement, misrepresentation, or non-disclosure of a material
35 fact, the commission shall proceed under the appropriate
36 provisions of section ninety-six point sixteen (96.16).

37 Whenever a claimant files in this state or elsewhere his
38 continued claims through a different state claim office than the
39 one in which the claim was originally or previously filed, the
40 commission shall promptly issue written notice of that fact to
41 the currently chargeable employer.

42 In any case where a claimant refuses an offer to work, or
43 where a claimant fails to apply for work of which he has been
44 notified as provided in section ninety-six point five (96.5),
45 subsection three (3), the commission shall promptly make a
46 written determination as to whether or not such refusal or
47 failure requires disqualification under section ninety-six point
48 five (96.5), subsection three (3). Notice of such determination
49 (specifying the name and address of the employing unit offering
50 or giving notice of the work and of the currently chargeable
51 employer) shall be sent to the claimant, the employing unit
52 offering or giving notice of the work, and the currently
53 chargeable employer."

1 Sec. 5. Section ninety-six point seven (96.7), Code 1954,
2 as amended by the Fifty-sixth General Assembly, is hereby
3 amended by striking therefrom subparagraph three (3) of
4 paragraph "a" of subsection three (3) and inserting in lieu
5 thereof the following:

6 "The amount of benefits so charged in any calendar quarter

7 against the account of any employer shall not exceed the amount
8 of such individual's wage credits based on employment with such
9 employer during such quarter."

1 Sec. 6. Section ninety-six point seven (96.7), Code 1954,
2 as amended by the Fifty-sixth General Assembly, is hereby
3 amended by striking therefrom subparagraph seven (7) of
4 paragraph "a" of subsection three (3) and inserting in lieu
5 thereof the following:

6 "Any employer may at any time make voluntary payments to his
7 account in excess of the other requirements of this chapter, and
8 all such payments shall be considered on any computation date as
9 contributions required under the provisions of this chapter if
10 they are paid by the employer not later than thirty days after
11 such computation date."

1 Sec. 7. Section ninety-six point seven (96.7), Code 1954,
2 as amended by the Fifty-sixth General Assembly, is hereby amended
3 by striking therefrom paragraph "c" of subsection three (3) and
4 inserting in lieu thereof the following:

5 "Each employer's rate of contribution shall be two and seven
6 tenths percent except as otherwise provided in this chapter. No
7 reduced rate of contribution shall be granted to such employer
8 until there shall have been twelve consecutive calendar quarters
9 immediately preceding the computation date throughout which his
10 account has been chargeable with benefit payments."

1 Sec. 8. Section ninety-six point seven (96.7), Code 1954,
2 is hereby amended by striking therefrom the first eleven (11)
3 lines of paragraph "d" of subsection three (3) as amended by
4 section two (2), chapter eighty-one (81), Acts of the Fifty-sixth
5 General Assembly and inserting in lieu thereof the following:

6 "Each employer's rate for each calendar year after December
7 31, 1956, shall be determined on the basis of his record and the
8 record of the predecessor owner of such enterprise, if any, up to
9 the computation date for such year. If, on the computation date,
10 the total of all contributions paid to an employer's account for
11 all past periods to and including those for the quarter ending
12 September 30 immediately preceding the computation date exceeds
13 the total benefits charged to such account for all past periods
14 to and including those for the quarter ending September 30
15 immediately preceding the computation date, such employer's
16 contribution rate shall be".

1 Sec. 9. Section ninety-six point nineteen (96.19), Code
2 1954, as amended by the Fifty-sixth General Assembly, is hereby
3 amended by striking therefrom subsection one (1), including
4 paragraphs "a" and "b", and inserting in lieu thereof the
5 following:

6 "The term 'annual payroll', as used in subsection 3-d of
7 section ninety-six point seven (96.7), means the total amount of
8 taxable wages paid by an employer for insured work during the
9 period of four consecutive calendar quarters ending on September
10 30 of each year, and the term 'average annual payroll', as used
11 in said subsection, means the average of the 'annual payrolls' of
12 an employer for the last three periods of four consecutive
13 calendar quarters immediately preceding the computation date."

1 Sec. 10. Section ninety-six point nineteen (96.19), Code
2 1954, as amended by the Fifty-sixth General Assembly, is hereby
3 amended by adding to subsection one (1) the following paragraph:

4 " 'Computation date'. The computation date for contribution
5 rates shall be October 1 of that calendar year preceding the

- 6 calendar year with respect to which such rates are to be effective."
- 1 Sec. 11. Sections one (1), two (2), and three (3) herein
- 2 shall become effective on the 1957 computation date as provided
- 3 for in chapter ninety-six (96), Code 1954, as amended.

EXPLANATION OF HOUSE FILE 413

This bill increases the maximum weekly benefit amount from \$30 to \$32 and the minimum amount from \$5 to \$10. It also increases the maximum period for the duration of payments from 24 weeks to 26 weeks. It clarifies by redefinition eligibility for benefits, and provides for notices by the commission to employers of payments of benefits. It also provides procedures for correction of errors.

The proposed bill is to (a) amend the Iowa law to give more time to the Employment Security Agency to compute the employer's tax rate for each year, and (b) to correct the 1955 amendment so as to bring the provisions of that act within the provisions of the Federal Unemployment Tax Act.

The accompanying bill corrects the error committed in the act of 1955 and fixes the cutoff or computation date as the last day of September of the year preceding the year for which the rate is to be made. This bill has been approved by the Bureau of Employment Security.

HOUSE FILE 413

- 1 Amend House File 413 as follows:
- 2 1. Amend section one (1) by striking therefrom lines
- 3 fifty-nine (59) through sixty-two (62) and by substituting
- 4 the following:
- 5 "2. Section one (1) of House File two hundred sixty-one
- 6 (261) enacted by the Fifty-seventh General Assembly is hereby
- 7 amended by striking lines five (5) through twenty (20) and by
- 8 substituting the following: "D-C-22C-3-27"
- 9 2. Amend by striking sections five (5), six (6), seven (7),
- 10 eight (8), nine (9) and ten (10).
- 11 3. Amend by inserting the following as Section 5:
- 12 "Section three (3) of House File two hundred sixty-one (261)
- 13 enacted by the Fifty-seventh General Assembly is hereby amended
- 14 by striking from line eleven (11) the words "thirty days" and
- 15 by substituting in lieu thereof the following: "the one hundred
- 16 twentieth day of the next calendar year" *Sec 3-27*
- 17 4. Amend by renumbering section eleven (11) as section six (6).
- 18 5. Amend the title by striking from lines eight (8) through
- 19 ten (10) the following: "the manner of computing employer's tax
- 20 rates and charging benefits paid to employer's reserve accounts";
- 21 also by striking from line eleven (11) the word "defining", and
- 22 by striking all of lines twelve (12) and thirteen (13); also by
- 23 adding at the end thereof the following: "also to amend House
- 24 File two hundred sixty-one (261) enacted by the Fifty-seventh
- 25 General Assembly relating to voluntary contributions and
- 26 establishment of credit basis."

Filed
March 29, 1957

COMMITTEE ON SOCIAL SECURITY

