

FILED MAY 11 1978

SENATE FILE 2270

By COMMITTEE ON LABOR AND INDUSTRIAL RELATIONS

Passed Senate, Date 5-12-78 (p. 1036); Passed House, Date 5-12-78 (p. 2157)

Vote: Ayes 44 Nays 0 Vote: Ayes 84 Nays 0

Approved June 14, 1978

A BILL FOR

1 An Act providing for procedures to recover payments of
 2 unemployment compensation in order to maintain the
 3 approval of the state law by the secretary of labor
 4 to assure an employer tax credit of two point seven
 5 percent for required unemployment compensation
 6 contributions, and to assure federal funding of the
 7 administration of the Iowa unemployment compensation
 8 program.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Chapter ninety-six (96), Code 1977, is amended
2 by adding the following new section:

3 NEW SECTION. LIABILITY OF CERTAIN EMPLOYERS. Employers
4 who by election or determination of the Iowa department of
5 job services are liable for payments in lieu of contributions
6 shall not be relieved of any regular benefit charges or
7 extended benefit charges by any provision of this chapter.

8 Sec. 2. Section ninety-six point sixteen (96.16),
9 subsection four (4), Code 1977, is amended to read as follows:

10 4. MISREPRESENTATION. Any person who, by reason ~~of any~~
11 ~~error, or by reason~~ of the nondisclosure or misrepresentation
12 by him or her or by another, of a material fact ~~(irrespective~~
13 ~~of whether such nondisclosure or misrepresentation was known~~
14 ~~or fraudulent)~~ has received any sum as benefits under this
15 chapter while any conditions for the receipt of benefits
16 imposed by this chapter were not fulfilled in his or her case,
17 or while he or she was disqualified from receiving benefits,
18 shall, in the discretion of the department, either be liable
19 to have such sum deducted from any future benefits payable
20 to him or her under this chapter or shall be liable to repay
21 to the department for the unemployment compensation fund,
22 a sum equal to the amount so received by him or her, and such
23 sum shall be collectible in the manner provided in section
24 96.14, subsection 3, for the collection of past-due
25 contributions.

26 Sec. 3. Chapter ninety-six (96), Code 1977, is amended
27 by adding the following new section:

28 NEW SECTION. ERROR IN RECEIVING BENEFITS. Whenever a
29 person receives any sum as benefits and the person is
30 subsequently determined to be ineligible and the person acted
31 in good faith and is not otherwise at fault, the benefits
32 may be recovered unless the recovery would be contrary to
33 equity or good conscience. Recovery shall be made either
34 by having the sum deducted from any future benefits payable
35 to the person or by having the person paying to the department

1 a sum equal to the amount received. The person who is liable
2 to repay the benefits may select the method for repayment.

3 EXPLANATION

4 This bill provides that certain employers under the
5 unemployment compensation law shall not be relieved for regular
6 or extended benefit charges. The bill also provides a
7 procedure to recover unemployment benefits for which an
8 individual was ineligible to receive. The purpose is to
9 maintain approval of Iowa's unemployment compensation program
10 in order to insure federal funding.

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SENATE FILE 2270

AN ACT

PROVIDING FOR PROCEDURES TO RECOVER PAYMENTS OF UNEMPLOYMENT COMPENSATION IN ORDER TO MAINTAIN THE APPROVAL OF THE STATE LAW BY THE SECRETARY OF LABOR TO ASSURE AN EMPLOYER TAX CREDIT OF TWO POINT SEVEN PERCENT FOR REQUIRED UNEMPLOYMENT COMPENSATION CONTRIBUTIONS, AND TO ASSURE FEDERAL FUNDING OF THE ADMINISTRATION OF THE IOWA UNEMPLOYMENT COMPENSATION PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Chapter ninety-six (96), Code 1977, is amended by adding the following new section:

NEW SECTION. LIABILITY OF CERTAIN EMPLOYERS. Employers who by election or determination of the Iowa department of job services are liable for payments in lieu of contributions shall not be relieved of any regular benefit charges or extended benefit charges by any provision of this chapter.

Sec. 2. Section ninety-six point sixteen (96.16), subsection four (4), Code 1977, is amended to read as follows:

4. MISREPRESENTATION. Any person who, by reason of ~~any error, or by reason~~ of the nondisclosure or misrepresentation by him or her or by another, of a material fact ~~irrespective of whether such nondisclosure or misrepresentation was known or fraudulent~~ has received any sum as benefits under this chapter while any conditions for the receipt of benefits imposed by this chapter were not fulfilled in his or her case, or while he or she was disqualified from receiving benefits, shall, in the discretion of the department, either be liable to have such sum deducted from any future benefits payable to him or her under this chapter or shall be liable to repay to the department for the unemployment compensation fund, a sum equal to the amount so received by him or her, and such

sum shall be collectible in the manner provided in section 96.16, subsection 3, for the collection of past-due contributions.

Sec. 3. Chapter ninety-six (96), Code 1977, is amended by adding the following new section:

NEW SECTION. ERROR IN RECEIVING BENEFITS. Whenever a person receives any sum as benefits and the person is subsequently determined to be ineligible and the person acted in good faith and is not otherwise at fault, the benefits may be recovered unless the recovery would be contrary to equity or good conscience. Recovery shall be made either by having the sum deducted from any future benefits payable to the person or by having the person paying to the department a sum equal to the amount received. The person who is liable to repay the benefits may select the method for repayment.

ARTHUR A. NEU
President of the Senate

DALE M. COCHRAN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2270, Sixty-seventh General Assembly.

KEVIN P. LIGHT
Acting Secretary of the Senate

Approved  , 1978

ROBERT D. RAY
Governor