

CHAPTER 21
UNEMPLOYMENT INSURANCE SERVICES DIVISION

871—21.1(96) Unemployment insurance services division. The primary responsibility of the unemployment insurance services division is to administer the provisions of the Iowa employment security law and related federal programs in accordance with pertinent laws, regulations, and policies. Attorneys who report to the administrator of the unemployment insurance services division perform the legal services for the division pursuant to Iowa Code section 96.17, which empowers the division to employ attorneys to represent it and give advice on all matters coming before it in conjunction with the administration of Iowa Code chapter 96. The division administers the payment of job insurance benefits to eligible individuals, determines which employers are subject to the state and federal laws enacted in this area, supervises the collection of taxes from these employers, and oversees a program to control the quality of benefit payment and revenue collection. These functions are performed by the following bureaus:

21.1(1) Benefits bureau. The benefits bureau determines the eligibility of individuals claiming unemployment insurance. In addition, the bureau also processes unemployment compensation for federal employees (UCFE), unemployment insurance for ex-service members (UCX), claims for trade readjustment assistance (TRA), voluntary shared work (VSW), and disaster unemployment assistance (DUA). It is also responsible for payments of other special federal unemployment insurance benefits as agreed to by the United States Department of Labor and the state of Iowa.

a. The bureau is responsible for screening all employer protests and investigates all labor dispute protests and issues appropriate decisions. This bureau determines individuals' eligibility on disputed claims for unemployment insurance benefits based on Iowa employment security law and Iowa administrative rules and issues a determination. The bureau reviews decisions that determine which employers will receive charges on claims for unemployment insurance benefits and investigates claims for missing wages. The bureau performs fact-finding interviews with claimants and employers to resolve issues discovered by recording the responses the claimant provides to questions asked in the weekly continued claim certification process. The bureau issues supplemental benefit payments due to misreported earnings or eligibility disqualifications. It also responds to communications involving technical matters related to unemployment insurance and corrects necessary records and the database due to subsequent appeal decisions which reverse or modify the prior decision issued on a claim.

b. The bureau oversees special claims for processing, which include claims for UCFE, UCX, TRA, VSW, DUA, and any other federal unemployment insurance programs. The bureau also administers training extension benefits (TEB), alternate base period (ABP), business closing claims, and department-approved training (DAT). The bureau computes and authorizes payments due, maintains needed records, and makes adjustments or redeterminations as applicable. This bureau is also responsible for processing initial interstate claims, assisting claimants in calling in their continued claims for payment, notifying employers of claim filings, processing overpayments and underpayments, adjudicating issues, processing interstate appeals, and processing combined wage claims. The bureau is responsible for all overpayment billing activity that results in an overpayment setup or refund, overpayment decision letter, or overpayment billing notice. The bureau is responsible for overpayment recovery programs, including withholding of Iowa and federal income tax refunds, Iowa lottery prizes, Iowa vendor payments, and the interstate reciprocal overpayment recovery arrangement. The bureau is responsible for the issuance of duplicate benefit payments for lost, stolen, outdated, or returned payments. The bureau authorizes and issues direct deposit transactions, debit cards and special warrants. The bureau verifies financial institution corrections of direct deposit routing and account numbers and updates the database records.

c. The bureau assigns document control information to each paper document, which provides automated electronic workflow routing, document retention criteria, document locating information, and computer updates. The bureau prepares documents and computer records for release to the public under subpoena or waiver provisions and collects record-processing fees.

d. The bureau is responsible for the voluntary income tax withholding program in which state and federal taxes are withheld from unemployment insurance benefits. The bureau is responsible for reporting tax withholdings and taxable unemployment insurance benefits to the Internal Revenue Service, Iowa department of revenue, and claimants.

21.1(2) Tax bureau. The tax bureau is responsible for the maintenance and control of all records of unemployment insurance tax paid by liable employers in the state of Iowa. Taxes collected are deposited in a fund to be subsequently used for benefit payments. The bureau also provides services to other states that request assistance with unemployment insurance enforcement of Iowa-based employers that conduct business in those states.

a. The bureau maintains financial records on employers; assigns rates each year to employers; makes all necessary adjustments to ensure proper charging to employers of benefits chargeable to them; maintains records of employer overpayments and refunds; and maintains the necessary contacts with employers' accountants, attorneys, and the general public to ensure the proper and timely submission of all the required reports to the unemployment insurance services division. The bureau ensures that all unemployment insurance-related documents received are scanned into a document repository.

b. The bureau is responsible for collecting and depositing all money received for contribution reports, delinquent contribution reports, benefit reimbursements, and interest and penalties with the state treasurer's office. Staff initiates routine legal actions such as the filing of liens, garnishments, and bankruptcies. Employers and claimants are contacted by mail, telephone, or e-mail or personally to initiate the collection process.

c. It is the bureau's responsibility to contact Iowa and out-of-state employers that do business in Iowa to establish taxpayers' liability under the law; explain the law's provisions; secure information and make determinations pertaining to new accounts, successorships and terminating tax liability; give information and assistance to ensure compliance in the preparation of tax reports; conduct investigations on federal unemployment tax Act (FUTA) discrepancy problems, contractor registration issues, business closings, and claimant requests for omitted wage credits; determine employer/employee and independent contractor relationship issues; assist in fraud investigations; conduct payroll and financial audits; and provide expert-witness testimony at employer liability hearings.

d. The bureau also assigns all field audit work. Information is entered into the automated system which generates materials to be utilized by the field audit staff in conducting an employer inquiry and audit.

21.1(3) Integrity bureau. The integrity bureau consists of three distinct work units: the investigations and recovery unit, the quality control unit, and the benefits collections unit.

a. The investigations and recovery unit is responsible for aggressive action to prevent, detect, investigate and penalize fraudulent actions on the part of employing units and individuals claiming unemployment insurance benefits. The bureau verifies whether aliens are entitled to unemployment insurance and investigates and disqualifies those who are not eligible. The bureau conducts the fictitious-employer detection program to discover employers set up for the purpose of fraudulent activities. The bureau prosecutes violations of the Iowa employment security law, including fraudulent receipt of unemployment insurance benefits, in conjunction with each county attorney in Iowa. The bureau investigates and determines whether an unemployment insurance warrant has been forged and whether it should be reissued.

b. The benefits collections unit is responsible for the collection of benefit overpayments, including penalties for fraudulent claims. The bureau is responsible for depositing all money received for benefit overpayments with the state treasurer's office. Staff initiates routine legal actions such as the filing of liens, garnishments, and bankruptcies. Claimants are contacted by mail, telephone, or e-mail or personally to initiate the collection process. The bureau analyzes the effectiveness of revenue collection processes for the unemployment insurance program.

c. The quality control unit reports to the integrity bureau chief as the unit works to support the development and execution of corrective action plans for the improvement of the unemployment insurance program. The unit is responsible for the collection and analysis of data pertaining to both the accuracy of unemployment insurance benefit payments and unemployment insurance benefit denial

determinations. In addition, the unit is responsible for validation of the unemployment insurance data reports, identification and analysis of risk factors which could threaten the unemployment insurance program, and maintenance of the data-processing capabilities to store and transmit various agency-required reports to the federal government.

[ARC 3247C, IAB 8/2/17, effective 9/6/17]

[Filed 1/20/99, Notice 12/16/98—published 2/10/99, effective 3/17/99]

[Filed ARC 8711B (Notice ARC 8583B, IAB 3/10/10), IAB 5/5/10, effective 6/9/10]

[Filed ARC 3247C (Notice ARC 3070C, IAB 5/24/17), IAB 8/2/17, effective 9/6/17]