



[SF 2354](#) – Unemployment Misconduct (LSB5018SV)
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Fiscal Note Version – New

Description

[Senate File 2354](#) specifies employment misconduct related to a claim for unemployment is deemed to have occurred in circumstances specified in the Bill. The Iowa Department of Workforce Development (IWD) is responsible for making a determination as to whether an individual is disqualified for unemployment benefits due to being discharged for misconduct. The Bill prohibits the IWD from considering whether, to what extent, or in what manner the employer imposed disciplinary action upon an individual for any past misconduct by the individual.

Background

Under current law, an individual is disqualified from unemployment benefit eligibility if the IWD finds that the individual has been discharged for misconduct in connection with the individual's employment. "Misconduct" is currently defined by the IWD by [rule](#).

Assumptions

- The Bill will require further questions, development of the record, and additional witnesses, as well as documentary evidence related to work rules, written or verbal orders, or instructions alleged to have been violated. This will result in the IWD adding the following staff:
 - Fact Finders 2.0 FTE positions
 - Administrative Law Judge 1.0 FTE position
- The IWD will need to do an emergency rule change and develop, draft, and have rules adopted. The IWD will also train all staff on those new rules, modify the employer handbook, and develop training materials, resulting in the IWD adding staff for one year equal to 1.0 FTE position, divided between agency attorneys, management, and trainers.
- Salary costs include benefits and are estimated at the entry level of the salary range for each position.

Fiscal Impact

[Senate File 2354](#) will result in the IWD expending an estimated \$411,000 for 4.0 FTE positions in FY 2019 and \$311,000 and 3.0 FTE positions in subsequent years, to be paid from the Unemployment Insurance Federal Base Grant.

Sources

Iowa Department of Workforce Development
Iowa Department of Administrative Services
Iowa Board of Regents

/s/ Holly M. Lyons

February 21, 2018

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
