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MAR 2 1984

HOUSE FILE 2433

Place On Calendar

BY COMMITTEE ON LABOR AND
INDUSTRIAL RELATIONS

(Formerly Study Bill 514)

Passed House, Date 3-30-84 (P. 1167) Passed Senate, Date 3-29-84 (P. 1161)

Vote: Ayes 89 Nays 3 Vote: Ayes 48 Nays 0

Approved May 10, 1984

A BILL FOR

1 An Act amending Iowa's unemployment compensation law by
2 limiting the waiver of certain requirements in job
3 bumping situations, by treating educational employees
4 similarly for purposes of denying benefits during
5 certain regular academic recesses, by switching the
6 burden of producing evidence back to the employee in
7 certain cases, by modifying certain special contribution
8 rate requirements both prospectively and retroactively,
9 by authorizing recomputation of employer rates in certain
10 overpayment cases, by crediting certain earned interest
11 to the temporary emergency surcharge fund, and by
12 providing for contribution refunds in overpayment cases.

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

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HF 2433

1 Section 1. Section 96.4, subsection 3, Code Supplement
2 1983, is amended to read as follows:

3 3. The individual is able to work, is available for work,
4 and is earnestly and actively seeking work. ~~The provision~~
5 ~~of this~~ This subsection shall be is waived if the individual
6 is deemed temporarily unemployed as defined in section 96.19,
7 subsection 9, paragraph "c" ~~or~~. The work search requirements
8 of this subsection and the disqualification requirement for
9 failure to apply for, or to accept suitable work of section
10 96.5, subsection 3 are waived if the individual is not
11 disqualified for benefits under section 96.5, subsection 1,
12 paragraph "i".

13 Sec. 2. Section 96.4, subsection 5, Code Supplement 1983,
14 is amended to read as follows:

15 5. Benefits based on service in employment in a nonprofit
16 organization or government entity, defined in section 96.19,
17 subsection 6, ~~shall be~~ are payable in the same amount, on
18 the same terms and subject to the same conditions as
19 compensation payable on the same basis of other service subject
20 to this chapter, except that:

21 a. Benefits based on service in an instructional, research,
22 or principal administrative capacity in an educational
23 ~~institution of higher education~~ including service in or
24 provided to or on behalf of an educational institution while
25 in the employ of an educational service agency, a government
26 entity, or a nonprofit organization shall not be paid to an
27 individual for any week of unemployment which begins during
28 the period between two successive academic years or during
29 a similar period between two regular terms, whether or not
30 successive, or during a period of paid sabbatical leave,
31 provided for in the individual's contract, if the individual
32 has a contract or ~~contracts to~~ reasonable assurance that the
33 individual will perform services in any such capacity for
34 any educational institution ~~or institutions of higher education~~
35 for both such academic years or both such terms.

1 b. Benefits based on service in employment, ~~defined in~~
2 ~~section 96-19, subsection 6, and based on service after~~
3 ~~December 31, 1977 in an instructional, research, or principal~~
4 ~~administrative~~ any other capacity for an educational
5 institution operated by including service in or provided to
6 or on behalf of an educational institution while in the employ
7 of an educational service agency, a government entity, or
8 a nonprofit organization, shall not be paid to an individual
9 for any week of unemployment which begins during the period
10 between two successive academic years or terms, (or, when
11 an agreement provides instead for a similar period between
12 two regular but not successive terms, during such period)
13 to any individual if such the individual performs such the
14 services in the first of such academic years or terms and
15 if there is a contract or has reasonable assurance that such
16 the individual will perform services in any such capacity
17 for any educational institution the second of such academic
18 years or terms, or during a period of paid sabbatical leave,
19 provided for in the individual's contract, and. If benefits
20 are denied to an individual for any week as a result of this
21 paragraph and the individual is not offered an opportunity
22 to perform the services for an educational institution for
23 the second of such academic years or terms, the individual
24 is entitled to retroactive payments of benefits for each week
25 for which the individual filed a timely claim for benefits
26 and for which benefits were denied solely by reason of this
27 paragraph.

28 c. With respect to services ~~in any other capacity~~ for
29 an educational institution in any capacity under paragraph
30 a or b, benefits shall not be paid to an individual for any
31 week of unemployment which begins during the period between
32 two successive academic years, or terms if the individual
33 performs the services in the first of such academic years
34 or terms and there is a reasonable assurance that the
35 individual will perform such services in the second of such

1 academic years or terms,--if benefits are denied to an
2 individual for any week as a result of this paragraph and
3 the individual is not offered an opportunity to perform such
4 services for the educational institution for the second of
5 such academic years or terms,--the individual is entitled to
6 a retroactive payment of benefits for each week for which
7 the individual filed a timely claim for benefits and for which
8 benefits were denied solely by reason of this paragraph an
9 established and customary vacation period or holiday recess
10 if the individual performs the services in the period
11 immediately before such vacation period or holiday recess,
12 and the individual has reasonable assurance that the individual
13 will perform the services in the period immediately following
14 such vacation period or holiday recess.

15 d. With respect to any services performed after July 1,
16 1977,--in any capacity for an educational institution other
17 than an institution of higher education,--compensation payable
18 on the basis of such services shall not be paid to any
19 individual for any week which commences during an established
20 and customary vacation period or holiday recess if such
21 individual performs such service in the period immediately
22 before such vacation period or holiday recess,--and there is
23 a reasonable assurance that such individual will perform such
24 service in the period immediately following such vacation
25 period or holiday recess. For purposes of this subsection,
26 "educational service agency" means a governmental agency or
27 government entity which is established and operated exclusively
28 for the purpose of providing educational services to one or
29 more educational institutions.

30 e.--With respect to services performed after December 31,
31 1977,--in an instructional,--research,--or principal
32 administrative capacity in an institution of higher education,
33 compensation payable on the basis of such services shall be
34 denied to any individual for any week which commences during
35 an established and customary vacation period or holiday recess

1 ~~if-such-individual-performs-such-services-in-the-period~~
 2 ~~immediately-before-such-vacation-period-or-holiday-recess,~~
 3 ~~and-there-is-a-reasonable-assurance-that-such-individual-will~~
 4 ~~perform-such-services-in-the-period-immediately-following~~
 5 ~~such-vacation-period-or-holiday-recess.~~

6 Sec. 3. Section 96.6, subsection 2, Code Supplement 1983,
 7 is amended to read as follows:

8 2. INITIAL DETERMINATION. A representative designated
 9 by the director shall promptly notify all interested parties
 10 to the claim of ~~the~~ its filing ~~thereof~~, and the parties shall
 11 have ten days from the date of mailing the notice of the
 12 filing of ~~said~~ the claim by ordinary mail to the last known
 13 address to protest payment of benefits to ~~said~~ the claimant.
 14 The representative shall promptly examine the claim and any
 15 protest ~~thereto~~, take the initiative to ascertain relevant
 16 information concerning the claim, and, on the basis of the
 17 facts found by the representative, shall determine whether
 18 or not ~~sueh~~ the claim is valid, the week with respect to which
 19 benefits shall commence, the weekly benefit amount payable
 20 and ~~the~~ its maximum duration ~~thereof~~, and whether any
 21 disqualification shall be imposed. The claimant has the
 22 burden of proving that the claimant meets the basic eligibility
 23 conditions of section 96.4. The employer has the burden of
 24 proving that the claimant is disqualified for benefits pursuant
 25 to section 96.5. However, the claimant has the initial burden
 26 to produce evidence showing that the claimant is not
 27 disqualified for benefits in cases involving section 96.5,
 28 subsection 1, paragraphs "a" through "i", and subsection 10.
 29 Unless the claimant or other interested party, after
 30 notification or within ten calendar days after ~~sueh~~
 31 notification was mailed to the claimant's last known address,
 32 files an appeal from ~~sueh~~ the decision, ~~sueh~~ the decision
 33 ~~shall-be~~ is final and benefits shall be paid or denied in
 34 accordance ~~therewith~~ with it. If a hearing officer affirms
 35 a decision of the representative, or the appeal board affirms

1 a decision of the hearing officer, allowing benefits, ~~such~~
2 the benefits shall be paid regardless of any appeal which
3 may is thereafter be taken, but if ~~such~~ the decision is finally
4 reversed, no employer's account shall be charged with benefits
5 so paid.

5426 Sec. 4. Section 96.7, subsection 3, paragraph d, unnum-
7 bered paragraph 6, Code Supplement 1983, is amended to read
8 as follows:

9 ~~During any rate year in which a rate table in rate tables~~
10 ~~three through nine is effective an~~ An employer assigned a
11 contribution rate under this lettered paragraph is not required
12 to contribute to the unemployment compensation trust fund
13 if the employer's percentage of excess is seven point five
14 percent or greater for the rate year and the employer has
15 ~~not~~ been charged with less than five hundred dollars in benefit
16 payments ~~for any time~~ within the twenty-four calendar quarters
17 immediately preceding the rate computation date for the rate
18 year. If an employer is not required to contribute for a
19 rate year to the trust fund under this unnumbered paragraph
20 but would be required to contribute for the next rate year
21 under this lettered paragraph, the employer's contribution
22 rate for the next rate year is either the employer's experience
23 rate computed under this lettered paragraph or one and eight-
24 tenths percent, whichever is less. For subsequent years,
25 either the employer is not required to contribute under this
26 unnumbered paragraph or the employer's contribution rate is
27 the employer's experience rate computed under this lettered
28 paragraph.

29 Sec. 5. Section 96.7, subsection 3, paragraph d, unnum-
30 bered paragraph 7, Code Supplement 1983, is amended by striking
31 the unnumbered paragraph.

32 Sec. 6. Section 96.7, subsection 3, paragraph e, unnumbered
33 paragraph 2, Code Supplement 1983, is amended to read as
34 follows:

35 If an employer's account ~~is~~ has been charged with benefits

1 ~~in-a-calendar-quarter-prior-to-the-rate-computation-date~~ as
 2 the result of a decision allowing benefits and the decision
 3 is reversed ~~after-the-rate-computation-date~~, the employer
 4 may appeal, within thirty days from the date of the next
 5 contribution rate notice, for a recomputation of the rate.

6 The department shall remove the benefit charges from the rate
 7 computation, recompute the contribution rate, and notify the
 8 employer of the recomputed contribution rate.

9 Sec. 7. Section 96.7, subsection 15, unnumbered paragraph
 10 2, Code 1983, is amended to read as follows:

11 A special fund to be known as the temporary emergency tax
 12 surcharge fund is created in the state treasury. The special
 13 fund is separate and distinct from the unemployment compensa-
 14 tion trust fund. All contributions collected from the
 15 temporary emergency tax surcharge shall be deposited in the
 16 special fund. The special fund shall be used only to pay
 17 interest accruing on advance moneys received from the federal
 18 government for the payment of unemployment compensation
 19 benefits. Interest earned upon moneys in the special fund
 20 shall be deposited in and credited to the special fund.

21 Sec. 8. Section 96.13, subsection 3, unnumbered para-
 22 graph 1, Code 1983, is amended to read as follows:

23 There is hereby created in the state treasury a special
 24 fund to be known as the special employment security contingency
 25 fund. All interest, fines, and penalties, regardless of when
 26 ~~the-same~~ they become payable, collected from employers under
 27 ~~the-provisions-of~~ section 96.14 subsequent to July 1, 1970,
 28 shall be paid into this fund. ~~Said~~ The moneys shall not be
 29 expended or available for expenditure in any manner which
 30 would permit their substitution for federal funds which would
 31 in the absence of ~~said~~ the moneys be available to finance
 32 expenditures for the administration of the employment security
 33 law. ~~Nothing-in-this~~ This section ~~shall~~ does not prevent
 34 ~~said~~ the moneys from being used as a revolving fund to cover
 35 expenditures for which federal funds have been duly requested

1 but not yet received, subject to the charging of such the
2 expenditures against such the funds when received. Said The
3 fund may be used for the payment of costs of administration
4 which are found not to have been properly and validly
5 chargeable against federal grants or other funds, received
6 for or in the employment security administration fund. The
7 moneys in this fund are ~~hereby~~ specifically made available
8 to replace, within a reasonable time, any moneys received
9 by this state in the form of grants from the federal government
10 for administrative expenses which because of any action or
11 contingency have been expended for purposes other than, or
12 in excess of, those necessary for the proper administration
13 of the employment security law. All moneys in the special
14 employment security contingency fund shall be deposited,
15 administered, and disbursed in the same manner and under the
16 same conditions and requirements as are provided by law for
17 other special funds in the state treasury. However, interest
18 earned upon moneys in the special employment security
19 contingency fund shall be deposited in and credited to the
20 temporary emergency surcharge fund created under section 96.7,
21 subsection 15.

22 Sec. 9. Section 96.14, subsection 5, Code 1983, is amended
23 to read as follows:

24 5. REFUNDS, COMPROMISES AND SETTLEMENTS. ~~In-any-case~~
25 ~~in-which~~ If the department finds that an employer has paid
26 contributions or interest ~~thereon~~ on contributions, which
27 have been erroneously paid or which have been paid solely
28 due to overpayments initially charged against but later removed
29 from an employer's account, and ~~who~~ the employer has filed
30 an application for adjustment thereof, the department shall
31 make ~~such~~ an adjustment, compromise, or settlement, and make
32 ~~such~~, at the employer's option, shall either refund of
33 erroneous the payments as-it-finds-just-and-equitable-in-the
34 premises or treat the payments as voluntary contributions
35 with no limitation on the payments' effects on the employer's

1 contribution rate. Refunds so made shall be charged to the
2 fund to which the ~~enterprise~~ collections have been credited,
3 and shall be paid to the claimant without interest. Any A
4 claim for ~~such~~ refund shall be made within three years from
5 the date of payment. For like cause, adjustments, compromises
6 or refunds may be made by the department on its own initiative.
7 ~~In any case in which~~ If the department finds that the
8 contribution that has been assessed against an employer is
9 of doubtful collectibility or may not be collected in full,
10 the department may institute a proceeding in the district
11 court in the county in which the ~~enterprise~~ employer against
12 which ~~such~~ the tax is levied is located, requesting authority
13 to compromise ~~such~~ the contribution. Notice of the filing
14 of ~~such~~ an application shall be given to the interested parties
15 as the court may prescribe. The court upon ~~such~~ hearing shall
16 ~~have power to~~ may authorize the department to compromise and
17 settle its claim for ~~such~~ the contribution and shall fix the
18 amount to be received by the department in full settlement
19 of ~~such~~ the claim and shall authorize the release of the
20 department's lien for ~~such~~ the contribution.

21 Sec. 10. PUBLICATION. This Act, being deemed of immediate
22 importance, takes effect from and after its publication in
23 The Sioux City Journal, a newspaper published in Sioux City,
24 Iowa, and in the Waterloo Courier Record, a newspaper published
25 in Waterloo, Iowa, and is retroactive to the extent provided
26 in section 11 of this Act.

27 Sec. 11. EFFECTIVE DATES. Except as otherwise provided
28 in this section, this Act takes effect July 1 following
29 enactment.

30 1. Section 2 of this Act is retroactive to April 1, 1984
31 and applies to benefits paid for weeks beginning on or after
32 April 1, 1984.

33 2. Sections 4 and 5 of this Act take effect January 1,
34 1985 and apply to calendar year 1985 and subsequent calendar
35 years. However, if an employer assigned a contribution rate

1 under section 96.7, subsection 3, paragraph "d" had a
2 percentage of excess equal to or greater than seven and one-
3 half percent for calendar year 1983 or 1984, or both, and
4 had been charged with less than five hundred dollars in benefit
5 payments within the twenty-four calendar quarters immediately
6 preceding the rate computation date for rate year 1983 or
7 1984, or both, the employer is retroactively not required
8 to contribute to the unemployment trust fund for the rate
9 year or years and upon application to the department before
10 January 1, 1985, is entitled to a refund of contributions
11 paid for the applicable rate year or years.

12 3. Notwithstanding the requirement in section 6 of this
13 Act that the recomputation appeal be made within thirty days
14 from the date of the next contribution rate notice, an employer
15 may appeal for a recomputation of contribution rates for
16 calendar year 1983 or 1984, or both, within thirty days from
17 the date of the first contribution rate notice issued on or
18 after the effective date of this Act.

19 4. Section 9 of this Act applies to claims for the
20 adjustment of contributions or interest on contributions
21 paid within the three years immediately preceding the date
22 of the claim for adjustment.

23 EXPLANATION

24 Section 1 of this Act abolishes, in job bumping situations,
25 the blanket waiver of the able, available, and job search
26 requirements. A limited waiver is substituted which waives
27 the job search requirements and the disqualification
28 requirement for failure to apply for, or to accept suitable
29 work.

30 Section 2 treats all employees of all educational institu-
31 tions similarly for purposes of denying benefits between
32 academic terms and during sabbatical leave, vacation periods,
33 and holiday recesses, effective April 1, 1984.

34 Section 3 provides a partial exception to the general rule
35 that an employer has the burden to prove that an employee

1 is disqualified for unemployment compensation benefits. Under
2 the provision the employer would still have the burden to
3 prove a disqualification, i.e., the burden of persuasion,
4 for the following reasons: (1) due to a voluntary quit without
5 good cause attributable to the employer; (2) due to misconduct;
6 (3) due to a failure to apply for, or accept suitable work;
7 (4) due to involvement in a labor dispute; (5) due to the
8 receipt of other compensation, benefits from another state,
9 or vacation pay; or (6) due to seasonal athletic employment.
10 However, the employee would have the initial burden to produce
11 evidence in voluntary quit cases showing that the employee
12 is not disqualified because the employee did the following:
13 (1) accepted other or better employment; (2) was knowingly
14 temporarily employed; (3) quit temporarily to care for an
15 ill family member; (4) quit temporarily due to illness, injury,
16 or pregnancy upon the advice of a physician; (5) quit
17 temporarily to take a family member to a different climate
18 upon the advice of a physician; (6) quit temporarily due to
19 compelling personal reasons; (7) quit but requalified by
20 earning ten times the individual's weekly benefit amount;
21 or (8) quit rather than bump a fellow employee. The employee
22 also has the burden to produce evidence showing that the
23 employee is not disqualified due to the employee's status
24 as an alien not entitled to work or reside in the United
25 States.

26 Sections 4 and 5 delete the five-tenths of one percent
27 special contribution rate for employers with percentages of
28 excess of at least 7.5 percent and allow a zero contribution
29 rate for 1985 and subsequent calendar years for such employers
30 which have been charged with less than \$500 in benefit payments
31 in the six years preceding the rate computation date. Section
32 13 makes the zero contribution rate retroactive for eligible
33 employers for calendar years 1983 and 1984.

34 Section 6 authorizes an appeal for recomputation of an
35 employer's contribution rate after removal of charges against

1 the employer's account due to the determination of an
2 overpayment. The appeal must be made within thirty days of
3 the first contribution rate notice dated after the removal
4 of the charges. Section 13 provides that the recomputation
5 appeal can be made after July, 1984 for both calendar years
6 1983 and 1984 due to the determination of an overpayment.

7 Section 7 allows interest earned on moneys in the temporary
8 emergency surcharge fund, which is used to pay interest owed
9 on federal loans, to be kept in the fund rather than
10 transferred to the general fund of the state.

11 Section 8 credits interest earned on moneys in the penalty
12 and interest fund to the temporary emergency surcharge fund
13 rather than to the general fund of the state.

14 Section 9 requires the department of job service, at the
15 employer's option, to either refund certain contributions
16 paid solely due to overpayments initially charged against
17 but later removed from an employer's account or to treat the
18 contributions as voluntary contributions. Section 13 provides
19 that such a claim for an adjustment of contributions can apply
20 to any contributions paid within the three years immediately
21 preceding the date of the claim for adjustment.

22 Section 10 makes the bill effective upon publication and
23 retroactive for certain purposes.

24 Section 11 provides that the bill takes effect July 1
25 following enactment, unless otherwise provided.

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HOUSE FILE 2433

FISCAL NOTE

REQUESTED BY REPRESENTATIVE STURGEON

In compliance with a written request received March 7, 1984, there is hereby submitted a Fiscal Note for House File 2433 pursuant to Joint Rule 17. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the General Assembly upon request.

House File 2433 makes several amendments in Iowa's unemployment compensation law. The sections of the bill having fiscal impact are as follows:

Sections 4 and 5 delete the 5/10 of one percent special contribution rate for employers with percentages of excess of at least 7.5 percent. The sections also allow a zero contribution rate for 1985 and subsequent calendar years for such employers which have been charged with less than \$500 in benefit payments in the six years preceding the rate computation date. Section 13 makes the zero contribution rate retroactive to calendar years 1983 and 1984.

These sections are expected to reduce by \$4,000,000 the contributions to the unemployment trust fund in FY 1984. The reduction in contributions for FY 1983 will be slightly less than \$4,000,000 (because a lower rate table was in effect), while the reduction for FY 1985 will be slightly greater than \$4,000,000.

Sections 6 and 9 authorize an appeal for recomputation of an employer's contribution rate after removal of charges against the employer's account due to an overpayment. The employer can elect whether to have the overpayment refunded or treated as a voluntary contribution. Time limits are specified.

These sections are expected to have only minimal effect on the unemployment trust fund. The number of overpayments is believed to be small.

Sections 7 and 8 allows interest earned on the temporary emergency surcharge fund, used to pay interest owed on federal loans, to be kept in that fund rather than transferred to the state general fund. The bill also credits interest earned on the penalty and interest fund to the temporary emergency surcharge fund rather than to the general fund of the state.

The fiscal effect of these sections depends upon the average monthly fund balance. Assuming a "middle" economic situation, and assuming a 10% interest rate, it is estimated that in FY 1985

interest on the temporary emergency surcharge fund will be \$750,000 and in FY 1986 will be \$450,000. The amount of interest earned on the penalty and interest fund is estimated to be approximately \$50,000 per year (assuming an average balance of \$500,000 and a 10% interest rate. The increased revenue to the unemployment trust fund would be matched by an equal reduction in revenue to the general fund.

The remaining sections of the bill are expected to have no significant fiscal effect.

Total Reduction in Revenues:

Unemployment Trust Fund	\$4,000,000 annually
General Fund	\$ 50,000 annually

Total	\$4,050,000 annually

Total Increase in Revenues:

Temporary Surcharge Fund	\$ 800,000 FY 1985
	\$ 500,000 FY 1986

Source: Job Service of Iowa

(3105H,84-248B,JMN)

FILED MARCH 9, 1984

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2433

H-5714

1 Amend House File 2433 as follows:

2 1. By striking everything after the enacting
3 clause and inserting in lieu thereof the following:
4 "Section 1. Section 96.3, subsection 5, unnumbered
5 paragraph 1, Code Supplement 1983, is amended to read
6 as follows:

7 The maximum total amount of benefits payable to
8 ~~any~~ an eligible individual during ~~any~~ a benefit year
9 shall not exceed the total of the wage credits accrued
10 to the individual's account during the individual's
11 base period, or twenty-six times the individual's
12 weekly benefit amount, whichever is the lesser.
13 However, the maximum total amount of benefits payable
14 during an individual's benefit year shall be decreased
15 by five times the individual's weekly benefit amount
16 if the individual is disqualified for benefits due
17 to a discharge for misconduct, or due to voluntarily
18 quitting work without good cause attributable to the
19 employer, and regualifies for benefits pursuant to
20 section 96.5, subsection 1, paragraph g, or subsection
21 2, paragraph a, except that the maximum total amount
22 of benefits payable during a benefit year of an
23 individual disqualified due to a voluntary quit shall
24 not be decreased under this subsection below the
25 individual's weekly benefit amount. The director
26 shall maintain a separate account for each individual
27 who earns wages in insured work. The director shall
28 compute wage credits for each individual by crediting
29 the individual's account with one-third of the wages
30 for insured work paid to the individual during the
31 individual's base period. However, the director shall
32 recompute wage credits for an individual who is laid
33 off due to the individual's employer going out of
34 business at the factory, establishment, or other
35 premises at which the individual was last employed,
36 by crediting the individual's account with one-half,
37 instead of one-third, of the wages for insured work
38 paid to the individual during the individual's base
39 period. Benefits paid to an eligible individual shall
40 be charged against the base period wage credits in
41 the individual's account which have not been previously
42 charged hereunder, in the inverse chronological order
43 as the wages on which such wage credits are based
44 were paid. However if the state and national "off
45 indicators" are in effect and if the individual is
46 laid off due to the individual's employer going out
47 of business at the factory, establishment, or other
48 premises at which the individual was last employed,
49 the maximum benefits payable shall be extended to
50 thirty-nine times the individual's weekly benefit

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1 amount, but not to exceed the total of the wage credits
2 accrued to the individual's account.

3 Sec. 2. Section 96.3, subsection 7, Code Supplement
4 1983, is amended to read as follows:

5 7. RECOVERY OF OVERPAYMENT OF BENEFITS.

6 a. If an individual receives benefits for which
7 the individual is subsequently determined to be
8 ineligible, even though the individual acts in good
9 faith and is not otherwise at fault, the benefits
10 shall be recovered. The department in its discretion
11 may recover the overpayment of benefits either by
12 having a sum equal to the overpayment deducted from
13 any future benefits payable to the individual or by
14 having the individual pay to the department a sum
15 equal to the overpayment.

16 If the department determines that an overpayment
17 has been made, the charge for the overpayment against
18 the employer's account shall be removed and the account
19 shall be credited with an amount equal to the
20 overpayment from the unemployment compensation trust
21 fund.

22 b. The department shall assist the department
23 of revenue, as provided in section 421.17, subsection
24 24, in setting off against an individual's income
25 tax refund or rebate any overpayment of benefits made
26 to the individual pursuant to this chapter.

27 Sec. 3. Section 96.4, subsection 3, Code Supplement
28 1983, is amended to read as follows:

29 3. The individual is able to work, is available
30 for work, and is earnestly and actively seeking work.
31 ~~The provision of this~~ This subsection shall be is
32 waived if the individual is deemed temporarily
33 unemployed as defined in section 96.19, subsection
34 9, paragraph "c" or. The work search requirements
35 of this subsection and the disqualification requirement
36 for failure to apply for, or to accept suitable work
37 of section 96.5, subsection 3 are waived if the
38 individual is not disqualified for benefits under
39 section 96.5, subsection 1, paragraph "i".

40 Sec. 4. Section 96.4, subsection 4, unnumbered
41 paragraph 2, Code Supplement 1983, is amended to read
42 as follows:

43 If the individual has drawn benefits in any benefit
44 year, the individual must during or subsequent to
45 that year, work in and be paid wages for insured work
46 totaling at least ~~two-hundred-fifty-dollars~~ ten times
47 the individual's weekly benefit amount, as a condition
48 to receive benefits in the next benefit year.

49 Sec. 5. Section 96.4, subsection 5, Code Supplement
50 1983, is amended to read as follows:

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Page Three

1 5. Benefits based on service in employment in
2 a nonprofit organization or government entity, defined
3 in section 96.19, subsection 6, ~~shall-be~~ are payable
4 in the same amount, on the same terms and subject
5 to the same conditions as compensation payable on
6 the same basis of other service subject to this
7 chapter, except that:

8 a. Benefits based on service in an instructional,
9 research, or principal administrative capacity in
10 an educational institution of higher education
11 including service in or provided to or on behalf of
12 an educational institution while in the employ of
13 an educational service agency, a government entity,
14 or a nonprofit organization shall not be paid to an
15 individual for any week of unemployment which begins
16 during the period between two successive academic
17 years or during a similar period between two regular
18 terms, whether or not successive, or during a period
19 of paid sabbatical leave, provided for in the
20 individual's contract, if the individual has a contract
21 or ~~contracts-to~~ reasonable assurance that the
22 individual will perform services in any such capacity
23 for any educational institution or institutions of
24 higher education for both such academic years or both
25 such terms.

26 b. Benefits based on service in ~~employment, defined~~
27 ~~in section 96.19, subsection 6, and based on service~~
28 ~~after December 31, 1977, in an instructional, research,~~
29 ~~or principal administrative~~ any other capacity for
30 an educational institution ~~operated by~~ including
31 service in or provided to or on behalf of an
32 educational institution while in the employ of an
33 educational service agency, a government entity, or
34 a nonprofit organization, shall not be paid to an
35 individual for any week of unemployment which begins
36 during the period between two successive academic
37 years or terms, ~~(or, when an agreement provides instead~~
38 ~~for a similar period between two regular but not~~
39 ~~successive terms, during such period) to any individual~~
40 if ~~such~~ the individual performs ~~such~~ the services
41 in the first of such academic years or terms and if
42 ~~there is a contract or~~ has reasonable assurance that
43 ~~such~~ the individual will perform services in any such
44 capacity for any educational institution the second
45 of such academic years or terms, ~~or during a period~~
46 ~~of paid sabbatical leave, provided for in the~~
47 ~~individual's contract, and.~~ If benefits are denied
48 to an individual for any week as a result of this
49 paragraph and the individual is not offered an
50 opportunity to perform the services for an educational

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1 institution for the second of such academic years
2 or terms, the individual is entitled to retroactive
3 payments of benefits for each week for which the
4 individual filed a timely claim for benefits and for
5 which benefits were denied solely by reason of this
6 paragraph.

7 c. ~~With respect to services in any other capacity~~
8 ~~for an educational institution in any capacity under~~
9 ~~paragraph a or b, benefits shall not be paid to an~~
10 ~~individual for any week of unemployment which begins~~
11 ~~during the period between two successive academic~~
12 ~~years, or terms if the individual performs the services~~
13 ~~in the first of such academic years or terms and there~~
14 ~~is a reasonable assurance that the individual will~~
15 ~~perform such services in the second of such academic~~
16 ~~years or terms. If benefits are denied to an~~
17 ~~individual for any week as a result of this paragraph~~
18 ~~and the individual is not offered an opportunity to~~
19 ~~perform such services for the educational institution~~
20 ~~for the second of such academic years or terms, the~~
21 ~~individual is entitled to a retroactive payment of~~
22 ~~benefits for each week for which the individual filed~~
23 ~~a timely claim for benefits and for which benefits~~
24 ~~were denied solely by reason of this paragraph an~~
25 established and customary vacation period or holiday
26 recess if the individual performs the services in
27 the period immediately before such vacation period
28 or holiday recess, and the individual has reasonable
29 assurance that the individual will perform the services
30 in the period immediately following such vacation
31 period or holiday recess.

32 d. ~~With respect to any services performed after~~
33 ~~July 1, 1977, in any capacity for an educational~~
34 ~~institution other than an institution of higher educa-~~
35 ~~tion, compensation payable on the basis of such~~
36 ~~services shall not be paid to any individual for any~~
37 ~~week which commences during an established and~~
38 ~~customary vacation period or holiday recess if such~~
39 ~~individual performs such service in the period~~
40 ~~immediately before such vacation period or holiday~~
41 ~~recess, and there is a reasonable assurance that such~~
42 ~~individual will perform such service in the period~~
43 ~~immediately following such vacation period or holiday~~
44 ~~recess. For purposes of this subsection, "educa-~~
45 tional service agency" means a governmental agency
46 or government entity which is established and operated
47 exclusively for the purpose of providing educational
48 services to one or more educational institutions.

49 e. ~~With respect to services performed after~~
50 ~~December 31, 1977, in an instructional, research,~~

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1 ~~er-principal-administrative-capacity-in-an-institution~~
2 ~~of-higher-education,-compensation-payable-on-the-basis~~
3 ~~of-such-services-shall-be-denied-to-any-individual~~
4 ~~for-any-week-which-commences-during-an-established~~
5 ~~and-customary-vacation-period-or-holiday-recess-if~~
6 ~~such-individual-performs-such-services-in-the-period~~
7 ~~immediately-before-such-vacation-period-or-holiday~~
8 ~~recess,-and-there-is-a-reasonable-assurance-that-such~~
9 ~~individual-will-perform-such-services-in-the-period~~
10 ~~immediately-following-such-vacation-period-or-holiday~~
11 ~~recess-~~

12 Sec. 6. Section 96.5, subsection 1, paragraph
13 f, Code Supplement 1983, is amended to read as follows:

14 f. ~~He-or-she-is-the-principal-support-of-his-or~~
15 ~~her-family,-or-is-a-widow,-widower,-legally-separated~~
16 ~~from-his-or-her-spouse,-or-a-single-person,-and-he~~
17 ~~or-she~~ The individual left ~~his-or-her~~ the employing
18 unit for not to exceed ten working days, or such
19 additional time as may be allowed by ~~his-or-her~~ the
20 employer, for compelling personal reasons, (if so
21 found by the department), and prior to ~~such~~ leaving
22 had informed ~~his-or-her~~ the employer of ~~such~~ the
23 compelling personal reasons, and immediately after
24 ~~such~~ the compelling personal reasons ceased to exist
25 ~~he-or-she~~ the individual returned to ~~his-or-her~~ the
26 employer and offered ~~his-or-her~~ the employer the
27 individual's services and ~~his-or-her~~ the individual's
28 regular or comparable work was not available, provided
29 ~~he-or-she~~ the individual is otherwise eligible; except
30 that during the time ~~he-or-she~~ the individual is away
31 from ~~his-or-her~~ work because of the continuance of
32 ~~such~~ the compelling personal reasons, ~~he-or-she-shall~~
33 ~~the individual is not be~~ eligible for benefits.

34 Sec. 7. Section 96.5, subsection 1, paragraph
35 g, Code Supplement 1983, is amended to read as follows:

36 g. The individual left work voluntarily without
37 good cause attributable to the employer under
38 circumstances which did or would disqualify the
39 individual for benefits, except as provided in
40 paragraph "a" of this subsection but, subsequent to
41 the leaving, the individual worked in and was paid
42 wages for insured work equal to ten times the
43 individual's weekly benefit amount, provided the
44 individual's maximum total amount of benefits has
45 been decreased pursuant to section 96.3, subsection
46 5 and the individual is otherwise eligible.

47 Sec. 8. Section 96.5, subsection 1, Code Supplement
48 1983, is amended by adding the following new lettered
49 paragraph:

50 NEW LETTERED PARAGRAPH. j. The individual left

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1 employment due to a transfer to a new job site as
2 provided in an apprenticeship and training agreement
3 entered into by the employer and the individual's
4 labor representative. Wages earned with the employer
5 that the individual left shall be deemed wages earned
6 from the next succeeding employer and benefits shall
7 be charged to the next succeeding employer in the
8 same manner as provided in paragraph a.

9 Sec. 9. Section 96.5, subsection 2, paragraph
10 a, Code Supplement 1983, is amended to read as follows:

11 a. The individual shall be disqualified for
12 benefits until the individual has worked in and has
13 been paid wages for insured work equal to ten times
14 the individual's weekly benefit amount, provided the
15 individual's maximum total amount of benefits has
16 been decreased pursuant to section 96.3, subsection
17 5 and the individual is otherwise eligible.

18 Sec. 10. Section 96.5, subsection 3, unnumbered
19 paragraph 1, Code Supplement 1983, is amended to read
20 as follows:

21 If the department finds that an individual has
22 failed, without good cause, either to apply for
23 available, suitable work when directed by the
24 employment office or the department or to accept
25 suitable work when offered that individual, ~~or to~~
26 ~~return to customary self-employment, if any.~~ The
27 department in co-operation with the employment office
28 shall, if possible, furnish the individual with the
29 names of employers which are seeking employees. The
30 individual shall apply to and obtain the signatures
31 of the employers designated by the department on forms
32 provided by the department, unless the employers
33 refuse to sign the forms. The individual's failure
34 to obtain the signatures of designated employers,
35 which have not refused to sign the forms, shall
36 disqualify the individual from further benefits until
37 requalified. To requalify for benefits after
38 disqualification under this subsection, the individual
39 shall work in and be paid wages for insured work equal
40 to ten times the individual's weekly benefit amount,
41 provided the individual is otherwise eligible.

42 Sec. 11. Section 96.5, subsection 8, Code
43 Supplement 1983, is amended to read as follows:

44 8. ADMINISTRATIVE PENALTY. If the department
45 ~~finds determines that, with respect to any week of~~
46 ~~an insured worker's unemployment for which such person~~
47 ~~claims credit or benefits, such a person has, within~~
48 ~~the thirty-six calendar months immediately preceding~~
49 ~~such week, with intent to defraud by obtaining for~~
50 the person or for any other person any benefits not

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1 due under this chapter, willfully and knowingly made
2 a false statement or misrepresentation, or willfully
3 and knowingly failed to disclose a material fact,
4 such the department shall cancel the person's wage
5 credits earned prior to the date of the determination
6 and, if applicable, the person shall be disqualified
7 for the week in which the department makes such the
8 determination, and forfeit all benefit rights under
9 the unemployment compensation law for a period of
10 not more than the remaining benefit period as
11 determined by the department according to the
12 circumstances of each case. Any The penalties imposed
13 by this subsection shall ~~be~~ are in addition to those
14 otherwise prescribed in this chapter.

15 Sec. 12. Section 96.6, subsection 2, Code
16 Supplement 1983, is amended to read as follows:

17 2. INITIAL DETERMINATION. A representative
18 designated by the director shall promptly notify all
19 interested parties to the claim of ~~the~~ its filing
20 thereof, and the parties shall have ten days from
21 the date of mailing the notice of the filing of ~~said~~
22 the claim by ordinary mail to the last known address
23 to protest payment of benefits to said the claimant.
24 The representative shall promptly examine the claim
25 and any protest ~~thereof~~ and, on the basis of the facts
26 found by the representative, shall determine whether
27 or not such the claim is valid, the week with respect
28 to which benefits shall commence, the weekly benefit
29 amount payable and the its maximum duration thereof,
30 and whether any disqualification shall be imposed.
31 ~~The claimant has the burden of proving that the~~
32 ~~claimant meets the basic eligibility conditions of~~
33 ~~section 96.4. The employer has the burden of proving~~
34 ~~that the claimant is disqualified for benefits pursuant~~
35 ~~to section 96.5.~~ Unless the claimant or other
36 interested party, after notification or within ten
37 calendar days after such notification was mailed to
38 the claimant's last known address, files an appeal
39 from such the decision, such the decision shall ~~be~~
40 is final and benefits shall be paid or denied in
41 accordance ~~therewith~~ with it. If a hearing officer
42 affirms a decision of the representative, or the
43 appeal board affirms a decision of the hearing officer,
44 allowing benefits, such the benefits shall be paid
45 regardless of any appeal which may is thereafter be
46 taken, but if such the decision is finally reversed,
47 no employer's account shall be charged with benefits
48 so paid.

49 Sec. 13. Section 96.7, subsection 3, paragraph
50 d, unnumbered paragraph 6, Code Supplement 1983, is

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1 amended to read as follows:

2 ~~During-any-rate-year-in-which-a-rate-table-in-rate~~
3 ~~tables-three-through-nine-is-effective-an~~ An employer
4 assigned a contribution rate under this lettered
5 paragraph is not required to contribute to the
6 unemployment compensation trust fund if the employer's
7 percentage of excess is seven point five percent or
8 greater for the rate year and the employer has ~~not~~
9 been charged with less than five hundred dollars in
10 ~~benefit payments for-any-time~~ within the twenty-four
11 calendar quarters immediately preceding the rate
12 computation date for the rate year. If an employer
13 is not required to contribute for a rate year to the
14 trust fund under this unnumbered paragraph but would
15 be required to contribute for the next rate year under
16 this lettered paragraph, the employer's contribution
17 rate for the next rate year is either the employer's
18 experience rate computed under this lettered paragraph
19 or one and eight-tenths percent, whichever is less.
20 For subsequent years, either the employer is not
21 required to contribute under this unnumbered paragraph
22 or the employer's contribution rate is the employer's
23 experience rate computed under this lettered paragraph.

24 Sec. 14. Section 96.7, subsection 3, paragraph
25 d, unnumbered paragraph 7, Code Supplement 1983, is
26 amended by striking the unnumbered paragraph.

27 Sec. 15. Section 96.7, subsection 3, paragraph
28 e, unnumbered paragraph 2, Code Supplement 1983, is
29 amended to read as follows:

30 If an employer's account ~~is~~ has been charged with
31 ~~benefits in-a-calendar-quarter-prior-to-the-rate~~
32 ~~computation-date~~ as the result of a decision allowing
33 benefits and the decision is reversed ~~after-the-rate~~
34 ~~computation-date~~, the employer may appeal, within
35 thirty days from the date of the next contribution
36 rate notice, for a recomputation of the rate. If
37 a base period employer's account has been charged
38 with benefits paid to an employee at a time when the
39 employee was employed by the base period employer
40 in the same employment as in the base period, the
41 employer may appeal, within thirty days from the date
42 of the first notice of the employer's contribution
43 rate which is based on the charges, for a recomputation
44 of the rate. The department shall remove the benefit
45 charges from the rate computation, recompute the
46 contribution rate, and notify the employer of the
47 recomputed contribution rate.

48 Sec. 16. Section 96.7, subsection 14, Code
49 Supplement 1983, is amended by striking the subsection
50 and inserting in lieu thereof the following:

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1 14. A contributory nonprofit organization which
2 elects to become a reimbursable employer shall pay
3 to the department the amount of the negative balance
4 in the nonprofit organization's employer account on
5 the effective date of the election.

6 Sec. 17. Section 96.7, subsection 15, unnumbered
7 paragraph 2, Code 1983, is amended to read as follows:

8 A special fund to be known as the temporary
9 emergency ~~tax~~ surcharge fund is created in the state
10 treasury. The special fund is separate and distinct
11 from the unemployment compensation trust fund. All
12 contributions collected from the temporary emergency
13 ~~tax~~ surcharge shall be deposited in the special fund.
14 The special fund shall be used only to pay interest
15 accruing on advance moneys received from the federal
16 government for the payment of unemployment compensa-
17 tion benefits. Interest earned upon moneys in the
18 special fund shall be deposited in and credited to
19 the special fund.

20 Sec. 18. Section 96.13, subsection 3, unnumbered
21 paragraph 1, Code 1983, is amended to read as follows:

22 There is ~~hereby~~ created in the state treasury a
23 special fund to be known as the special employment
24 security contingency fund. All interest, fines, and
25 penalties, regardless of when ~~the same~~ they become
26 payable, collected from employers under ~~the provisions~~
27 ~~of~~ section 96.14 subsequent to July 1, 1970, shall
28 be paid into this fund. ~~Said~~ The moneys shall not
29 be expended or available for expenditure in any manner
30 which would permit their substitution for federal
31 funds which would in the absence of ~~said~~ the moneys
32 be available to finance expenditures for the
33 administration of the employment security law. ~~Nothing~~
34 ~~in this~~ This section shall ~~does not~~ prevent ~~said~~ the
35 moneys from being used as a revolving fund to cover
36 expenditures for which federal funds have been duly
37 requested but not yet received, subject to the charging
38 of ~~such~~ the expenditures against ~~such~~ the funds when
39 received. ~~Said~~ The fund may be used for the payment
40 of costs of administration which are found not to
41 have been properly and validly chargeable against
42 federal grants or other funds, received for or in
43 the employment security administration fund. The
44 moneys in this fund are ~~hereby~~ specifically made
45 available to replace, within a reasonable time, any
46 moneys received by this state in the form of grants
47 from the federal government for administrative expenses
48 which because of any action or contingency have been
49 expended for purposes other than, or in excess of,
50 those necessary for the proper administration of the

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1 employment security law. All moneys in the special
2 employment security contingency fund shall be
3 deposited, administered, and disbursed in the same
4 manner and under the same conditions and requirements
5 as are provided by law for other special funds in
6 the state treasury. However, interest earned upon
7 moneys in the special employment security contingency
8 fund shall be deposited in and credited to the
9 temporary emergency surcharge fund created under
10 section 96.7, subsection 15.

11 Sec. 19. Section 96.14, subsections 1, 2, and
12 3, Code 1983, are amended to read as follows:

13 1. INTEREST. ~~Any~~ An employer who ~~shall-fail~~ fails
14 to pay any contribution and at the time required by
15 this chapter and the rules of the department shall
16 pay to the department in addition to such the
17 contribution, interest thereon on the contribution
18 at the rate of five one-hundredths of one percent
19 per-month-and-one-thirtieth-of-one-percent for each
20 day or fraction thereof of a day computed from the
21 date upon which said the contribution should have
22 been paid.

23 2. PENALTIES. ~~Any~~ An employer who ~~shall-fail~~
24 fails to file a report of wages paid to each of his
25 ~~or-her~~ the employer's employees for any period in
26 the manner and within the time required by this chapter
27 and the rules of the department or ~~any~~ an employer
28 who the ~~commission~~ department finds has filed an
29 insufficient report and fails to file a sufficient
30 report within thirty days after a written request
31 from the department to do so shall pay a penalty to
32 the department.

33 The penalty ~~shall-become~~ becomes effective with
34 the first day the report is delinquent or, where a
35 report is insufficient, with the thirty-first day
36 following the written request for a sufficient report.

37 Penalty for failing to file a sufficient report
38 ~~shall-be~~ is in addition to any penalty incurred for
39 a delinquent report ~~where~~ if the delinquent report
40 is also insufficient.

41 The amount of the penalty for delinquent and
42 insufficient reports shall be computed based on total
43 wages in the period for which the report was due and
44 shall be computed as follows:

Days Delinquent or Insufficient	Penalty Rate
1 - 60	0.1%
61 - 120	0.2%
121 - 180	0.3%
181 - 240	0.4%

1	241 or over	0.5%
---	-------------	------

8 If the department finds that any an employer has
9 willfully failed to pay any a contribution or part
10 thereof of a contribution when required by this chapter
11 and the rules of the department, with intent to defraud
12 the department, ~~then-such~~ the employer shall in
13 addition to ~~sueh~~ the contribution or part ~~thereof~~
14 of the contribution, pay a ~~contribution~~ penalty equal
15 to fifty percent of the amount of ~~sueh~~ the contribution
16 or part ~~thereof~~, ~~as-the-case-may-be~~ of the
17 contribution.

3. LIEN OF CONTRIBUTIONS--COLLECTION. Whenever
any If an employer liable to pay contributions refuses
or neglects to pay the same contributions, the amount
due, including any interest or penalty, together with
the costs that may accrue in addition thereto to the
contributions, interest, and penalty, shall be is
a lien in favor of the state upon all property and
rights to property, whether real or personal, belonging
to said the employer. An assessment of the unpaid
contributions, interest and penalty shall be applied
as provided in section 96.7, subsection 4, paragraphs
"a" and "b" and the lien shall attach as of the date
the assessment is mailed or personally served upon
the employer. However, the department may release
any a lien, when after diligent investigation and
effort it determines that the amount due is not
collectible.

48 The county recorder of each county shall prepare
49 and keep in ~~his-or-her~~ the recorder's office a book
50 to be known as "index of unemployment contribution

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1 liens", so ruled as to show in appropriate columns
2 the following data, under the names of employers,
3 arranged alphabetically:

- 4 a. The name of the employer.
- 5 b. The name "State of Iowa" as claimant.
- 6 c. Time notice of lien was received.
- 7 d. Date of notice.
- 8 e. Amount of lien then due.
- 9 f. When satisfied.

10 The recorder shall endorse on each notice of lien
11 the day, hour, and minute when received and shall
12 ~~forthwith~~ index ~~said~~ the notice in ~~said~~ the index
13 book and shall ~~forthwith~~ record ~~said~~ the lien in the
14 manner provided for recording real estate mortgages,
15 ~~and the said~~. The lien shall ~~be~~ is effective from
16 the time of the indexing thereof of the lien.

17 The department shall pay a recording fee as provided
18 in section 331.604, for the recording of the lien,
19 or for ~~its~~ the satisfaction of the lien.

20 Upon the payment of contributions, interest, and
21 penalties as to which the department has filed notice
22 with a county recorder, the department shall ~~forthwith~~
23 file with ~~said~~ the recorder a satisfaction of ~~said~~
24 the contributions, interest, and penalties and the
25 recorder shall enter ~~said~~ the satisfaction on the
26 notice on file in ~~his or her~~ the recorder's office
27 and indicate ~~said~~ ~~fact~~ the satisfaction on the index
28 ~~aforesaid~~.

29 The department shall, substantially as provided
30 in sections 445.6 and 445.7, proceed to collect all
31 contributions as soon as practicable after the same
32 contributions become delinquent, except that no
33 property of the employer shall ~~be~~ is exempt from the
34 payment of ~~said~~ the contributions.

35 If, after due notice, ~~any~~ an employer defaults
36 in any payment of contributions, ~~or~~ interest ~~thereon~~
37 ~~or~~ penalties, the amount due may be collected by civil
38 action in the name of the department and the employer
39 adjudged in default shall pay the costs of ~~such~~ the
40 action. Civil actions brought under this section
41 to collect contributions, ~~or~~ interest ~~thereon~~, ~~or~~
42 penalties from an employer shall be heard by the court
43 at the earliest possible date and shall ~~be~~ are entitled
44 to preference upon the calendar of the court over
45 all other civil actions except petitions for judicial
46 review under this chapter and cases arising under
47 the workers' compensation law of this state.

48 ~~it is expressly provided that the~~ The foregoing
49 remedies of the state shall ~~be~~ are cumulative and
50 that no action taken by the department shall ~~be~~

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1 ~~construed-to-be~~ is an election on the part of the
2 state or any of its officers to pursue any remedy
3 ~~hereunder under this section~~ to the exclusion of any
4 other remedy provided by law.

5 The courts of this state shall recognize and enforce
6 liabilities for unemployment contributions, penalties,
7 interest and benefit overpayments imposed by other
8 states which extend a like comity to this state.
9 The department may sue in the courts of any other
10 jurisdiction which extends such comity to collect
11 unemployment contributions, penalties, interest and
12 benefit overpayments due this state. The officials
13 of other states which, by statute or otherwise, extend
14 a like comity to this state may sue in the district
15 court to collect ~~for-such~~ contributions, penalties,
16 interest and benefit overpayments. In any such case
17 the director of the department of this state, as agent
18 for and on behalf of any other state, may institute
19 and conduct ~~sueh~~ the suit for ~~sueh~~ the other state.
20 Venue of such proceedings ~~shall-be~~ is the same as
21 for actions to collect delinquent contributions,
22 penalties, interest and benefit overpayments due under
23 this chapter. A certificate by the secretary of any
24 such state attesting the authority of ~~sueh~~ an official
25 to collect the contributions, penalties, interest
26 and benefit overpayments, is conclusive evidence of
27 such authority. The requesting state shall pay the
28 court costs.

29 ~~if-a-political-subdivision-or-a-political~~
30 ~~subdivision-instrumentality-becomes-delinquent-in~~
31 ~~the-payment-of-contributions,-any-payments-owed-as~~
32 ~~a-government-employer,-penalty,-interest-and-costs~~
33 ~~for-more-than-two-calendar-quarters,-the-amount-of~~
34 ~~such-delinquency-shall-be-deducted-from-any-further~~
35 ~~moneys-due-the-employer-by-the-state---Such-deduction~~
36 ~~shall-be-made-by-the-state-comptroller-upon~~
37 ~~certification-of-the-amount-due---A-copy-of-the~~
38 ~~certification-will-be-mailed-to-the-employer-~~

39 If an amount due from a governmental entity of
40 this state remains due and unpaid ~~for-a-period-of~~
41 ~~one-hundred-twenty-days~~ after the due date, the
42 director shall ~~take-action-as-necessary-to-collect~~
43 ~~the-amount-and~~ issue an assessment to the governmental
44 entity of the past due amount. If the amount due
45 remains unpaid ten days after the assessment is mailed
46 to the governmental entity, the director shall levy
47 against any funds due the governmental entity from
48 the state treasurer of state, the director of the
49 department of revenue, or any other official or agency
50 of this state or against an account established by

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1 the entity in any bank. The official, agency, or
2 bank shall deduct the amount assessed and certified
3 by the director from any accounts or deposits or any
4 funds due the delinquent governmental entity without
5 regard to any prior claim and shall promptly forward
6 the amount to the director ~~for the fund. However,~~
7 ~~the director shall notify the delinquent entity of~~
8 ~~the director's intent to file a levy by certified~~
9 ~~mail at least ten days prior to filing the levy on~~
10 ~~any funds due the entity from any state official or~~
11 ~~agency.~~

12 Sec. 20. Section 96.14, subsection 3, Code 1983,
13 is amended by adding the following new unnumbered
14 paragraph after unnumbered paragraph 8:

15 NEW UNNUMBERED PARAGRAPH. The department shall
16 set off against benefits due an individual employer,
17 a partner, or a corporate officer who controlled,
18 supervised, or was responsible for filing the
19 corporation's contribution reports or for making the
20 corporation's contribution payments and willfully
21 failed to do so, the amount of unpaid contributions,
22 interest, or penalties due from the individual
23 employer, partner, or corporate officer.

24 Sec. 21. Section 96.14, subsection 5, Code 1983,
25 is amended to read as follows:

26 5. REFUNDS, COMPROMISES AND SETTLEMENTS. ~~In any~~
27 ~~ease in which~~ If the department finds that an employer
28 has paid contributions or interest ~~thereon on~~
29 contributions, which have been erroneously paid or
30 which have been paid solely due to overpayments
31 initially charged against but later removed from an
32 employer's account, and who the employer has filed
33 an application for adjustment thereof, the department
34 shall make such an adjustment, compromise, or
35 settlement, and make such, at the employer's option,
36 shall either refund of erroneous the payments as it
37 finds just and equitable in the premises or treat
38 the payments as voluntary contributions with no
39 limitation on the payments' effects on the employer's
40 contribution rate. Refunds so made shall be charged
41 to the fund to which the ~~erroneous~~ collections have
42 been credited, and shall be paid to the claimant
43 without interest. Any A claim for ~~such~~ refund shall
44 be made within three years from the date of payment.
45 For like cause, adjustments, compromises or refunds
46 may be made by the department on its own initiative.
47 ~~In any ease in which~~ If the department finds that
48 the contribution that has been assessed against an
49 employer is of doubtful collectibility or may not
50 be collected in full, the department may institute

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1 a proceeding in the district court in the county in
2 which the ~~enterprise~~ employer against which such the
3 tax is levied is located, requesting authority to
4 compromise such the contribution. Notice of the
5 filing of such an application shall be given to the
6 interested parties as the court may prescribe. The
7 court upon such hearing shall have power to may
8 authorize the department to compromise and settle
9 its claim for such the contribution and shall fix
10 the amount to be received by the department in full
11 settlement of such the claim and shall authorize the
12 release of the department's lien for such the
13 contribution.

14 Sec. 22. Section 96.19, subsection 18, Code
15 Supplement 1983, is amended by striking the subsection.

16 Sec. 23. Section 96.19, subsections 31 and 32,
17 Code Supplement 1983, are amended to read as follows:

18 31. "Regular benefits" means benefits payable
19 to an individual under this or under any other state
20 law, ~~(including benefits payable to federal civilian~~
21 ~~employees and to ex-servicemen-or-women ex-service~~
22 ~~members pursuant to 5 U.S.C., chapter ch. 85),~~ other
23 than extended benefits.

32. "Extended benefits" means benefits, ~~(including~~
benefits payable to federal civilian employees and
26 to ~~ex-servicemen-or-women ex-service members pursuant~~
27 to 5 U.S.C., ~~chapter ch. 85),~~ payable to an individual
28 under the provisions of this section for weeks of
29 unemployment in ~~his-or-her~~ the individual's eligibility
30 period.

31 Sec. 24. Section 96.19, subsection 34, unnumbered
32 paragraph 1, Code Supplement 1983, is amended to read
33 as follows:

34 "Exhaustee" means an individual who, with respect
35 to any week of unemployment in ~~his-or-her~~ the
36 individual's eligibility period has received, prior
37 to such that week, all of the regular benefits that
38 were available to ~~him-or-her~~ the individual under
39 this chapter or any other state law, ~~(including~~
40 dependents' allowances and benefits payable to federal
41 civilian employees and ~~ex-servicemen-or-women ex-~~
42 ~~service members under 5 U.S.C., chapter ch. 85),~~ in
43 ~~his-or-her~~ the individual's current benefit year that
44 includes such weeks that week. Provided that However,
45 for the purposes of this subsection an individual
46 shall be deemed to have received all of the regular
47 benefits that were available to ~~him-or-her~~ the
48 individual, although as a result of a pending appeal
with respect to wages that were not considered in
the original monetary determination in ~~his-or-her~~

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1 the individual's benefit year ~~he-or-she~~ the individual
2 may subsequently be determined to be entitled to add
3 regular benefits, or:

4 Sec. 25. Section 421.17, Code Supplement 1983,
5 is amended by adding the following new subsection
6 after subsection 23 and renumbering the subsequent
7 subsections:

8 NEW SUBSECTION. 24. To establish and maintain
9 a procedure to set off against an individual's income
10 tax refund or rebate any debt which is owed to the
11 department of job service due to an overpayment of
12 unemployment compensation benefits made under chapter
13 96. The procedure shall meet the following conditions:

14 a. Before setoff all outstanding tax liabilities
15 collectible by the department of revenue shall be
16 satisfied except that a refund or rebate shall not
17 be credited against tax liabilities which are not
18 yet due.

19 b. Before setoff the department of job service
20 shall obtain and forward to the department of revenue
21 the full name and social security number of the
22 individual. The department of revenue shall cooperate
23 in the exchange of relevant information with the
24 department of job service.

25 c. The department of job service shall, at least
26 annually, submit to the department of revenue for
27 setoff the overpayments, which are at least fifty
28 dollars, on a date or dates to be specified by the
29 department of job service.

30 d. Upon submission of a claim, the department
31 of revenue shall notify the department of job service
32 as to whether the individual is entitled to a refund
33 or rebate of at least fifty dollars and if so entitled
34 shall notify the department of job service of the
35 amount of the refund or rebate and of the individual's
36 address on the income tax return. Section 422.72,
37 subsection 1, does not apply to this paragraph.

38 e. Upon notice of entitlement to a refund or
39 rebate, the department of job service shall send
40 written notice to the individual, and a copy of the
41 notice to the department of revenue, of the department
42 of job service's assertion of its rights to all or
43 a portion of the individual's refund or rebate and
44 the entitlement to recover the amount of the
45 overpayment through the setoff procedure, the basis
46 of the assertion, the individual's opportunity to
47 request that a joint income tax refund or rebate be
48 divided between spouses, the individual's opportunity
49 to give written notice of intent to contest the claim,
50 and the fact that failure to contest the claim by

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1 written application for a hearing before a specified
2 date will result in a waiver of the opportunity to
3 contest the claim, causing final setoff by default.
4 Upon application, the department of job service shall
5 grant a hearing pursuant to chapter 17A. An appeal
6 taken from the decision of a hearing officer and any
7 subsequent appeals shall be taken pursuant to chapter
8 17A.

9 f. Upon the timely request of an individual or
10 an individual's spouse to the department of job service
11 and upon receipt of the full name and social security
12 number of the individual's spouse, the department
13 shall notify the department of revenue of the request
14 to divide a joint income tax refund or rebate. The
15 department of revenue shall upon receipt of the notice
16 divide a joint income tax refund or rebate between
17 the individual and the individual's spouse in
18 proportion to each spouse's net income as determined
19 under section 422.7.

20 g. The department of revenue shall, after notice
21 has been sent to the individual by the department
22 of job service, set off the amount of the overpayment
23 against the individual's income tax refund or rebate
24 if both the amount of the overpayment and the refund
25 or rebate are at least fifty dollars. The department
26 shall refund any balance of the income tax refund
27 or rebate to the individual. The department of revenue
28 shall periodically transfer the amount set off to
29 the department of job service. If the individual
30 gives written notice of intent to contest the claim,
31 the department of job service shall hold the refund
32 or rebate until final disposition of the contested
33 claim pursuant to chapter 17A or by court judgment.
34 The department of job service shall notify the
35 individual in writing upon completion of setoff.

36 Sec. 26. Section 421.17, subsection 25, Code
37 Supplement 1983, is amended to read as follows:

38 25 26. To provide that in the case of multiple
39 claims to refunds or rebates filed under subsections
40 21, ~~and 23~~ and 24, that priority shall be given to
41 claims filed by the child support recovery unit or
42 the foster care recovery unit under subsection 21,
43 next priority shall be given to claims filed by the
44 college aid commission under subsection 23, ~~and last~~
45 next priority shall be given to claims filed by the
46 office of investigations under subsection 21, and
47 last priority shall be given to claims filed by the
48 department of job service under subsection 24.

49 Sec. 27. 1983 Iowa Acts, chapter 190, section
26, is amended to read as follows:

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1 SEC. 26. PROSPECTIVE REPEAL. ~~Sections 8 and~~
2 ~~Section 24 of this Act are prospectively is~~ repealed
3 on January 1 of the first calendar year after December
4 31, 1985 for which a contribution rate table other
5 than contribution rate table one is effective. ~~Section~~
6 ~~8 is repealed for benefit claims effectively filed~~
7 ~~for and after the first full week in that first~~
8 ~~calendar year.~~ Section 24 is repealed for taxable
9 wages for that first calendar year and subsequent
10 calendar years.

11 Sec. 28. 1983 Iowa Acts, chapter 190, section
12 27, subsection 7, is amended to read as follows:

13 7. Section 8 of this Act takes effect only for
14 initial unemployment compensation benefit claims
15 effectively filed on or after ~~January 6, 1985~~ July
16 1, 1984.

17 Sec. 29. Section 96.22, Code 1983, is repealed.

18 Sec. 30. The sections of this Act take effect
19 as follows:

20 1. Section 5 of this Act, being deemed of immediate
21 importance, takes effect from and after its publication
22 in The Sioux City Journal, a newspaper published in
23 Sioux City, Iowa, and in the Waterloo Courier Record,
24 a newspaper published in Waterloo, Iowa, and is
25 retroactive to April 1, 1984 and applies to benefits
26 paid for weeks beginning on or after April 1, 1984.

27 2. Sections 2, 16, 17, 18, 19, 20, 23, 24, 25,
28 26, 27, and 29 take effect July 1, 1984.

29 3. Sections 3, 6, 8, 10, 11, 12, and 22 take
30 effect July 1, 1984 and apply to all new or pending
31 benefit claims.

32 4. Sections 1, 4, 7, 9, and 28 take effect only
33 for benefit claims effectively filed on or after July
34 1, 1984.

35 5. Sections 13 and 14 take effect January 1, 1985
36 and apply to calendar year 1985 and subsequent calendar
37 years.

38 6. Notwithstanding the requirement in section
39 15 of this Act that the recomputation appeal be made
40 within thirty days from the date of the next
41 contribution rate notice, an employer may appeal for
42 a recomputation of contribution rates for calendar
43 year 1983 or 1984, or both, within thirty days from
44 the date of the first contribution rate notice issued
45 on or after the effective date of this Act.

46 Notwithstanding the requirement in section 15 of
47 this Act that the recomputation appeal be made within
48 thirty days from the date of the first contribution
49 rate notice based on the charges, an employer may
50 appeal for a recomputation of contribution rates for

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1 calendar year 1983 or 1984, or both, within thirty
2 days from the date of the contribution rate notice
3 issued for calendar year 1985.

4 7. Section 21 of this Act applies to claims for
5 the adjustment of contributions or interest on con-
6 tributions paid within the three years immediately
7 preceding the date of the claim for adjustment."

BY COREY of Louisa
BRANSTAD of Winnebago
GRANDIA of Marion
HALVORSON of Clayton
HANDORF of Marshall
HERMANN of Scott
HUMMEL of Benton
RENKEN of Grundy
SCHNEKLOTH of Scott

H-5714 FILED MARCH 15, 1984

Filed not germane 3/19 (p. 1155)

HOUSE FILE 2433

H-5631

1 Amend House File 2433 as follows:

2 1. Page 5, by striking lines 9 and 10 and inserting
3 in lieu thereof the following:

4 "During any rate year in which a rate table in
5 rate table three through nine is effective an employer
6 assigned a".

7 2. Page 5, by striking lines 29 through 31 and
8 inserting in lieu thereof the following:

9 "Sec. 5. Section 96.7, subsection 3, paragraph
10 d, unnumbered paragraph 7, Code Supplement 1983, is
11 amended to read as follows:

12 During any rate year in which rate table one or
13 two is effective an employer assigned a contribution
14 rate under this lettered paragraph shall be required
15 to contribute to the unemployment compensation trust
16 fund at five-tenths of one percent, if the employer's
17 percentage of excess is seven point five percent or
18 greater for the rate year and the employer has ~~not~~
19 been charged with less than five hundred dollars in
20 benefit payments for any time within the twenty-four
21 calendar quarters immediately preceding the rate
22 computation date for the rate year. If an employer
23 is qualified for the five-tenths of one percent
24 limitation on the employer's contribution rate for
25 a rate year under this unnumbered paragraph but would
26 be required to contribute for the next rate year under
27 this lettered paragraph, the employer's contribution
28 rate for the next rate year is either the employer's
29 experience rate computed under this lettered paragraph
30 or one and eight-tenths percent, whichever is less.
31 For subsequent years, either the employer is qualified
32 for the five-tenths of one percent limitation under
33 this unnumbered paragraph or the employer's
34 contribution rate is the employer's experience rate
35 computed under this lettered paragraph."

36 3. Page 9, by striking lines 8 through 10 and
37 inserting in lieu thereof the words "to contribute
38 to the unemployment trust fund more than the employer
39 would have been required to contribute had sections
40 4 and 5 been effective for the rate year or years
41 and upon application to the department before January
42 1, 1985, is entitled to a refund of excess
43 contributions".

H-5631 FILED MARCH 13, 1984 BY STURGEON of Woodbury

Placed out of order 3/20 (p. 1166)

H-5462

1 Amend House File 2433 as follows:

2 1. Page 5, by striking lines 6 through 31.

3 2. Page 6, line 5, by inserting after the word
4 "rate." the words "If a base period employer's account
5 has been charged with benefits paid to an employee
6 at a time when the employee was employed by the base
7 period employer in the same employment as in the base
8 period, the employer may appeal, within thirty days
9 from the date of the first notice of the employer's
10 contribution rate which is based on the charges, for
11 a recomputation of the rate."

12 3. By striking page 8, line 33, through page 9,
13 line 11.

14 4. Page 9, by inserting after line 18 the
15 following:

16 "Notwithstanding the requirement in section 6 of
17 this Act that the recomputation appeal be made within
18 thirty days from the date of the first contribution
19 rate notice based on the charges, an employer may
20 appeal for a recomputation of contribution rates for
21 calendar year 1983 or 1984, or both, within thirty
22 days from the date of the contribution rate notice
23 issued for calendar year 1985."

24 5. By renumbering as necessary.

BY HALVORSON of Clayton

HARBOR of Mills

HUMMEL of Benton

-5462 FILED MARCH 7, 1984

Lost 3/19 (p. 1160)

Reconsidered & adopted 3/20 (p. 1165)

HOUSE FILE 2433

H-5483

1 Amend House File 2433 as follows:

2 1. Page 4, by inserting after line 5 the following:

3 "Sec. 1000. Section 96.5, subsection 1, unnumbered
4 paragraph 1, Code Supplement 1983, is amended to read
5 as follows:

6 If ~~he-or-she~~ the individual has left ~~his-or-her~~
7 work voluntarily without good cause attributable to
8 ~~his-or-her~~ the individual's employer, if so found
9 by the department. The department shall consider
10 the mandatory retirement of a peace officer due to
11 age a voluntary quit without good cause attributable
12 to the employer. But ~~he-or-she~~ the individual shall
13 not be disqualified if the department finds that:"

14 2. Page 8, by inserting after line 32 the

15 following:

16 "____. Section 1000 of this Act is retroactive
17 to January 1, 1984 and applies to the mandatory
18 retirement of a peace officer due to age on or after
19 that date."

20 3. By renumbering as necessary.

H-5483 FILED MARCH 8, 1984

BY MAULSBY of Calhoun

A- Lost 3/19 (p. 1159)

B- 4/10 3/20 (p. 1161)

HOUSE FILE 2433

H-5752

- 1 Amend amendment H-5631 to House File 2433 as
- 2 follows:
- 3 1. Page 1, by inserting after line 35 the
- 4 following:
- 5 " By striking page 6, line 21 through page
- 6 7, line 21."
- 7 2. By renumbering as necessary.

H-5752 FILED MARCH 19, 1984 BY STURGEON of Woodbury
R/D 5/20 (p. 1165)

HOUSE FILE 2433

H-5755

- 1 Amend House File 2433 as follows:
- 2 1. By striking page 6, line 21 through page 7,
- 3 line 21.
- 4 2. By renumbering as necessary.

H-5755 FILED MARCH 19, 1984 BY STURGEON of Woodbury
Adopted 3/20 (p. 1167)

HOUSE FILE 2433

H-5426

1 Amend House File 2433 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "Section 1. Section 96.3, subsection 4, in the
5 portion following the weekly benefit amount table
6 in unnumbered paragraph 1, Code Supplement 1983, is
7 amended to read as follows:

8 PARAGRAPH DIVIDED. The maximum weekly benefit
9 amount, if not a multiple of one dollar shall be
10 rounded to the lower multiple of one dollar. However,
11 ~~until-such-time-as-sixty-five-percent-of-the-statewide~~
12 ~~average-weekly-wage-exceeds-one-hundred-ninety-dollars~~
13 if on any July 1 the trust fund has a negative balance
14 and advance moneys are owed to the federal government
15 for the payment of unemployment compensation benefits,
16 the maximum weekly benefit amounts shall not be
17 increased but shall be determined using the same
18 statewide average weekly wage computed-on-the-basis
19 of-wages-reported-for-calendar-year-1981 as used in
20 computing the maximum weekly benefit amounts for the
21 previous year. As used in this section "dependent"
22 means dependent as defined in section 422.12,
23 subsection 1, paragraph "c", as if the individual
24 claimant was a taxpayer, except that an individual
25 claimant's nonworking spouse ~~shall-be-deemed-to-be~~
26 is a dependent under this section. "Nonworking spouse"
27 means a spouse who does not earn more than one hundred
28 twenty dollars in gross wages in one week."

29 2. By renumbering as necessary.

BY HALVORSON of Clayton
HARBOR of Mills
COREY of Louisa
HUMMEL of Benton
MC INTEE of Black Hawk

H-5426 FILED MARCH 6, 1984

Filed not germane 3/19 (p. 1157)

HOUSE FILE 2433

H-5408

1 Amend House File 2433 as follows:

2 1. Page 5, by inserting after line 5 the follow-
3 ing:

4 "Sec. 1000. Section 96.7, subsection 3, paragraph
5 b, unnumbered paragraph 5, Code Supplement 1983, is
6 amended to read as follows:

7 ~~Provided, however, that~~ However, the application
8 by any affected employer for such transfer of partial
9 record is shall be made within sixty days from the
10 date of transfer and meets shall meet the approval
11 of the predecessor and the director, and provided
12 further that such the partial record shall include
13 sufficient information for the proper administration
14 of this chapter with respect to payment of unemployment
15 benefits and computation of future rates based on
16 benefit experience. If a transferring employer fails
17 to produce the partial record, the department shall
18 assign all historical charges related to payrolls,
19 contributions, accounts, contribution rates, and
20 benefits to that transferring employer failing to
21 produce the partial record and not to another acquiring
22 employer."

23 2. Page 8, by inserting after line 32 the follow-
24 ing:

25 " . Section 1000 of this Act is retroactive
26 to July 1, 1982 and applies to a transfer under section
27 96.7, subsection 3, paragraph "b" made on or after
28 that date. However, the application under section
29 1000 of this Act for a transfer which occurred prior
30 to the publication of this Act shall be made before
31 July 1, 1984."

H-5408 FILED MARCH 5, 1984 BY BLANSHAN of Greene

H/S 2/19/84 1160

HOUSE FILE 2433

H-5409

1 Amend House File 2433 as follows:

2 1. Page 1, by striking lines 7 through 12 and
3 inserting in lieu thereof the following: "subsection
4 9, paragraph "c" ~~or if the individual is not~~
5 ~~disqualified for benefits under section 96.5,~~
6 ~~subsection 1, paragraph "c."~~

H-5409 FILED MARCH 5, 1984 BY HALVORSON of Clayton

Loe 3/14 (p. 1158)

HOUSE FILE 2433

S-5538

1 Amend House File 2433 as amended, passed, and re-
2 printed by the House as follows:
3 1. Page 1, by striking lines 7 through 12 and
4 inserting in lieu thereof the following: "subsection
5 9, paragraph "c" ~~or-if-the-individual-is-not~~
6 ~~disqualified-for-benefits-under-section-96.5,~~
7 subsection-17-paragraph-"i"."

S-5538 FILED

BY CALVIN O. HULTMAN

MARCH 27, 1984

For 3/29 (p. 1161)

HOUSE FILE 2433

S-5603

1 Amend House File 2433, as amended, passed and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 1. Section 96.3, subsection 4, in the
6 portion following the weekly benefit amount table
7 in unnumbered paragraph 1, Code Supplement 1983, is
8 amended to read as follows:
9 PARAGRAPH DIVIDED. The maximum weekly benefit
10 amount, if not a multiple of one dollar shall be
11 rounded to the lower multiple of one dollar. However,
12 until-such-time-as-sixty-five-percent-of-the-statewide
13 average-weekly-wage-exceeds-one-hundred-ninety-dollars
14 if on any July 1 the trust fund has a negative balance
15 and advance moneys are owed to the federal government
16 for the payment of unemployment compensation benefits,
17 the maximum weekly benefit amounts shall not be
18 increased but shall be determined using the same
19 statewide average weekly wage computed-on-the-basis
20 of-wages-reported-for-calendar-year-1981 as used in
21 computing the maximum weekly benefit amounts for the
22 previous year. As used in this section "dependent"
23 means dependent as defined in section 422.12,
24 subsection 1, paragraph "c", as if the individual
25 claimant was a taxpayer, except that an individual
26 claimant's nonworking spouse shall-be-deemed-to-be
27 is a dependent under this section. "Nonworking spouse"
28 means a spouse who does not earn more than one hundred
29 twenty dollars in gross wages in one week."
30 2. By renumbering as necessary.

S-5603 FILED

BY JOHN JENSEN

MARCH 28, 1984

11/20 3/29 (p. 1161)

HOUSE FILE 2433

S-5663

1 Amend House File 2433 as amended, passed and
2 reprinted by the House, as follows:

3 1. Page 5, by inserting after line 5 the following:

4 Sec. 1000. Section 96.7, subsection 3, paragraph
5 d, unnumbered paragraph 6, Code Supplement 1983, is
6 amended to read as follows:

7 During any rate year ~~in which a rate table in rate~~
8 ~~tables three through nine is effective~~ an employer
9 assigned a contribution rate under this lettered
10 paragraph is not required to contribute to the
11 unemployment compensation trust fund if the employer's
12 percentage of excess is seven point five percent or
13 greater for the rate year and the employer has not
14 been charged with benefit payments for any time within
15 the twenty-four calendar quarters immediately preceding
16 the rate computation date for the rate year. If an
17 employer is not required to contribute for a rate
18 year to the trust fund under this unnumbered paragraph
19 but would be required to contribute for the next rate
20 year under this lettered paragraph, the employer's
21 contribution rate for the next rate year is either
22 the employer's experience rate computed under this
23 lettered paragraph or one and eight-tenths percent,
24 whichever is less. For subsequent years, either the
25 employer is not required to contribute under this
26 unnumbered paragraph or the employer's contribution
27 rate is the employer's experience rate computed under
28 this lettered paragraph.

29 Sec. 1001. Section 96.7, subsection 3, paragraph
30 d, unnumbered paragraph 7, Code Supplement 1983, is
31 amended by striking the unnumbered paragraph."

32 2. Page 7, by inserting after line 26 the
33 following:

34 "____. Sections 1000 and 1001 of this Act are
35 retroactive to April 1, 1984 and apply to contributions
36 for calendar quarters beginning on or after April
37 1, 1984."

38 3. By renumbering as necessary.

S-5663 FILED & ADOPTED
MARCH 29, 1984 (p. 1161)

BY TED ANDERSON
CAL HULTMAN

HOUSE FILE 2433

S-5670

1 Amend House File 2433 as amended, passed and
2 reprinted by the House as follows:

3 1. Page 6, line 8, by striking the word
4 "overpayments" and inserting in lieu thereof the word
5 "benefits".

S-5670 FILED
MARCH 29, 1984
ADOPTED (p. 1161)

BY TED ANDERSON

HOUSE FILE 2433

BY COMMITTEE ON LABOR AND
INDUSTRIAL RELATIONS

(As Amended and Passed by the House)
Substituted for S. 7. 2296 3/22

Px Passed House, Date 4-18-84 (p 2238) Passed Senate, Date 3-29-84 (p 1161)

Vote: Ayes 91 Nays 2 Vote: Ayes 48 Nays 0

Approved May 10, 1984

A BILL FOR

1 An Act amending Iowa's unemployment compensation law by
2 limiting the waiver of certain requirements in job
3 bumping situations, by treating educational employees
4 similarly for purposes of denying benefits during
5 certain regular academic recesses, by switching the
6 burden of producing evidence back to the employee in
7 certain cases, by modifying certain special contribution
8 rate requirements both prospectively and retroactively,
9 by authorizing recomputation of employer rates in certain
10 overpayment cases, by crediting certain earned interest
11 to the temporary emergency surcharge fund, and by
12 providing for contribution refunds in overpayment cases.

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

14

15

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House Amendments _____

Deleted Language ✕

1 Section 1. Section 96.4, subsection 3, Code Supplement
2 1983, is amended to read as follows:

3 3. The individual is able to work, is available for work,
4 and is earnestly and actively seeking work. ~~The provision~~
5 ~~of this~~ This subsection shall be is waived if the individual
6 is deemed temporarily unemployed as defined in section 96.19,
7 subsection 9, paragraph "c" ~~or~~. The work search requirements
8 of this subsection and the disqualification requirement for
9 failure to apply for, or to accept suitable work of section
10 96.5, subsection 3 are waived if the individual is not
11 disqualified for benefits under section 96.5, subsection 1,
12 paragraph "i".

13 Sec. 2. Section 96.4, subsection 5, Code Supplement 1983,
14 is amended to read as follows:

15 5. Benefits based on service in employment in a nonprofit
16 organization or government entity, defined in section 96.19,
17 subsection 6, ~~shall be~~ are payable in the same amount, on
18 the same terms and subject to the same conditions as
19 compensation payable on the same basis of other service subject
20 to this chapter, except that:

21 a. Benefits based on service in an instructional, research,
22 or principal administrative capacity in an educational
23 institution of higher education including service in or
24 provided to or on behalf of an educational institution while
25 in the employ of an educational service agency, a government
26 entity, or a nonprofit organization shall not be paid to an
27 individual for any week of unemployment which begins during
28 the period between two successive academic years or during
29 a similar period between two regular terms, whether or not
30 successive, or during a period of paid sabbatical leave,
31 provided for in the individual's contract, if the individual
32 has a contract or contracts to reasonable assurance that the
33 individual will perform services in any such capacity for
34 any educational institution or institutions of higher education
35 for both such academic years or both such terms.

1 b. Benefits based on service in employment, ~~defined in~~
2 ~~section 96-19, subsection 6, and based on service after~~
3 ~~December 31, 1977 in an instructional, research, or principal~~
4 ~~administrative~~ any other capacity for an educational
5 institution operated by including service in or provided to
6 or on behalf of an educational institution while in the employ
7 of an educational service agency, a government entity, or
8 a nonprofit organization, shall not be paid to an individual
9 for any week of unemployment which begins during the period
10 between two successive academic years or terms, ~~(or when~~
11 ~~an agreement provides instead for a similar period between~~
12 ~~two regular but not successive terms, during such period)~~
13 ~~to any individual~~ if ~~such~~ the individual performs ~~such~~ the
14 services in the first of such academic years or terms and
15 ~~if there is a contract or~~ has reasonable assurance that ~~such~~
16 the individual will perform services ~~in any such capacity~~
17 ~~for any educational institution the second of such academic~~
18 ~~years or terms, or during a period of paid sabbatical leave,~~
19 ~~provided for in the individual's contract, and.~~ If benefits
20 are denied to an individual for any week as a result of this
21 paragraph and the individual is not offered an opportunity
22 to perform the services for an educational institution for
23 the second of such academic years or terms, the individual
24 is entitled to retroactive payments of benefits for each week
25 for which the individual filed a timely claim for benefits
26 and for which benefits were denied solely by reason of this
27 paragraph.

28 c. With respect to services ~~in any other capacity~~ for
29 an educational institution in any capacity under paragraph
30 a or b, benefits shall not be paid to an individual for any
31 week of unemployment which begins during ~~the period between~~
32 ~~two successive academic years, or terms if the individual~~
33 ~~performs the services in the first of such academic years~~
34 ~~or terms and there is a reasonable assurance that the~~
35 ~~individual will perform such services in the second of such~~

1 academic years or terms,--if benefits are denied to an
2 individual for any week as a result of this paragraph and
3 the individual is not offered an opportunity to perform such
4 services for the educational institution for the second of
5 such academic years or terms, the individual is entitled to
6 a retroactive payment of benefits for each week for which
7 the individual filed a timely claim for benefits and for which
8 benefits were denied solely by reason of this paragraph an
9 established and customary vacation period or holiday recess
10 if the individual performs the services in the period
11 immediately before such vacation period or holiday recess,
12 and the individual has reasonable assurance that the individual
13 will perform the services in the period immediately following
14 such vacation period or holiday recess.

15 d. With respect to any services performed after July 1,
16 1977, in any capacity for an educational institution other
17 than an institution of higher education, compensation payable
18 on the basis of such services shall not be paid to any
19 individual for any week which commences during an established
20 and customary vacation period or holiday recess if such
21 individual performs such service in the period immediately
22 before such vacation period or holiday recess, and there is
23 a reasonable assurance that such individual will perform such
24 service in the period immediately following such vacation
25 period or holiday recess. For purposes of this subsection,
26 "educational service agency" means a governmental agency or
27 government entity which is established and operated exclusively
28 for the purpose of providing educational services to one or
29 more educational institutions.

30 e.--With respect to services performed after December 31,
31 1977, in an instructional, research, or principal
32 administrative capacity in an institution of higher education,
33 compensation payable on the basis of such services shall be
34 denied to any individual for any week which commences during
35 an established and customary vacation period or holiday recess

1 ~~if-such-individual-performs-such-services-in-the-period~~
2 ~~immediately-before-such-vacation-period-or-holiday-recess,~~
3 ~~and-there-is-a-reasonable-assurance-that-such-individual-will~~
4 ~~perform-such-services-in-the-period-immediately-following~~
5 ~~such-vacation-period-or-holiday-recess-~~

6 Sec. 3. Section 96.6, subsection 2, Code Supplement 1983,
7 is amended to read as follows:

8 2. INITIAL DETERMINATION. A representative designated
9 by the director shall promptly notify all interested parties
10 to the claim of ~~the~~ its filing ~~thereof~~, and the parties shall
11 have ten days from the date of mailing the notice of the
12 filing of ~~said~~ the claim by ordinary mail to the last known
13 address to protest payment of benefits to ~~said~~ the claimant.
14 The representative shall promptly examine the claim and any
15 protest ~~thereto~~, take the initiative to ascertain relevant
16 information concerning the claim, and, on the basis of the
17 facts found by the representative, shall determine whether
18 or not ~~sueh~~ the claim is valid, the week with respect to which
19 benefits shall commence, the weekly benefit amount payable
20 and ~~the~~ its maximum duration ~~thereof~~, and whether any
21 disqualification shall be imposed. The claimant has the
22 burden of proving that the claimant meets the basic eligibility
23 conditions of section 96.4. The employer has the burden of
24 proving that the claimant is disqualified for benefits pursuant
25 to section 96.5. However, the claimant has the initial burden
26 to produce evidence showing that the claimant is not
27 disqualified for benefits in cases involving section 96.5,
28 subsection 1, paragraphs "a" through "i", and subsection 10.
29 Unless the claimant or other interested party, after
30 notification or within ten calendar days after ~~sueh~~
31 notification was mailed to the claimant's last known address,
32 files an appeal from ~~sueh~~ the decision, ~~sueh~~ the decision
33 ~~shall-be~~ is final and benefits shall be paid or denied in
34 accordance ~~therewith~~ with it. If a hearing officer affirms
35 a decision of the representative, or the appeal board affirms

1 a decision of the hearing officer, allowing benefits, ~~such~~
2 the benefits shall be paid regardless of any appeal which
3 may is thereafter be taken, but if ~~such~~ the decision is finally
4 reversed, no employer's account shall be charged with benefits
5 so paid.

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* 6 Sec. 4. Section 96.7, subsection 3, paragraph e, unnumbered
7 paragraph 2, Code Supplement 1983, is amended to read as
8 follows:

9 If an employer's account ~~is~~ has been charged with benefits
10 ~~in-a-calendar-quarter-prior-to-the-rate-computation-date~~ as
11 the result of a decision allowing benefits and the decision
12 is reversed ~~after-the-rate-computation-date~~, the employer
13 may appeal, within thirty days from the date of the next
14 contribution rate notice, for a recomputation of the rate.
15 If a base period employer's account has been charged with
16 benefits paid to an employee at a time when the employee was
17 employed by the base period employer in the same employment
18 as in the base period, the employer may appeal, within thirty
19 days from the date of the first notice of the employer's
20 contribution rate which is based on the charges, for a
21 recomputation of the rate. The department shall remove the
22 benefit charges from the rate computation, recompute the
23 contribution rate, and notify the employer of the recomputed
24 contribution rate.

25 Sec. 5. Section 96.7, subsection 15, unnumbered paragraph
26 2, Code 1983, is amended to read as follows:

27 A special fund to be known as the temporary emergency ~~tax~~
28 surcharge fund is created in the state treasury. The special
29 fund is separate and distinct from the unemployment compensa-
30 tion trust fund. All contributions collected from the
31 temporary emergency ~~tax~~ surcharge shall be deposited in the
32 special fund. The special fund shall be used only to pay
33 interest accruing on advance moneys received from the federal
34 government for the payment of unemployment compensation
35 benefits. Interest earned upon moneys in the special fund

1 shall be deposited in and credited to the special fund.

* 2 Sec. 6. Section 96.14, subsection 5, Code 1983, is amended
3 to read as follows:

4 5. REFUNDS, COMPROMISES AND SETTLEMENTS. ~~in-any-case~~
5 ~~in-which~~ If the department finds that an employer has paid
6 contributions or interest ~~thereon~~ on contributions, which
7 have been erroneously paid or which have been paid solely
8 due to overpayments initially charged against but later removed
9 from an employer's account, and ~~who~~ the employer has filed
10 an application for adjustment ~~thereof~~, the department shall
11 make ~~such~~ an adjustment, compromise, or settlement, and make
12 ~~such~~, at the employer's option, shall either refund ~~of~~
13 ~~erroneous the payments as-it-finds-just-and-equitable-in-the~~
14 ~~premises~~ or treat the payments as voluntary contributions
15 with no limitation on the payments' effects on the employer's
16 contribution rate. Refunds so made shall be charged to the
17 fund to which the ~~erroneous~~ collections have been credited,
18 and shall be paid to the claimant without interest. Any A
19 claim for ~~such~~ refund shall be made within three years from
20 the date of payment. For like cause, adjustments, compromises
21 or refunds may be made by the department on its own initiative.
22 ~~in-any-case-in-which~~ If the department finds that the
23 contribution that has been assessed against an employer is
24 of doubtful collectibility or may not be collected in full,
25 the department may institute a proceeding in the district
26 court in the county in which the ~~enterprise~~ employer against
27 which ~~such~~ the tax is levied is located, requesting authority
28 to compromise ~~such~~ the contribution. Notice of the filing
29 of ~~such~~ an application shall be given to the interested parties
30 as the court may prescribe. The court upon ~~such~~ hearing shall
31 ~~have-power-to~~ may authorize the department to compromise and
32 settle its claim for ~~such~~ the contribution and shall fix the
33 amount to be received by the department in full settlement
34 of ~~such~~ the claim and shall authorize the release of the
35 department's lien for ~~such~~ the contribution.

1 Sec. 7. PUBLICATION. This Act, being deemed of immediate
2 importance, takes effect from and after its publication in
3 The Sioux City Journal, a newspaper published in Sioux City,
4 Iowa, and in the Waterloo Courier Record, a newspaper published
5 in Waterloo, Iowa, and is retroactive to the extent provided
6 in section 8 of this Act.

7 Sec. 8. EFFECTIVE DATES. Except as otherwise provided
8 in this section, this Act takes effect July 1 following
9 enactment.

10 1. Section 2 of this Act is retroactive to April 1, 1984
11 and applies to benefits paid for weeks beginning on or after
12 April 1, 1984.

* 13 2. Notwithstanding the requirement in section 4 of this
14 Act that the recomputation appeal be made within thirty days
15 from the date of the next contribution rate notice, an employer
16 may appeal for a recomputation of contribution rates for
17 calendar year 1983 or 1984, or both, within thirty days from
18 the date of the first contribution rate notice issued on or
19 after the effective date of this Act.

20 Notwithstanding the requirement in section 4 of this Act
21 that the recomputation appeal be made within thirty days from
22 the date of the first contribution rate notice based on the
23 charges, an employer may appeal for a recomputation of
24 contribution rates for calendar year 1983 or 1984, or both,
25 within thirty days from the date of the contribution rate
26 notice issued for calendar year 1985.

27 3. Section 6 of this Act applies to claims for the
28 adjustment of contributions or interest on contributions paid
29 within the three years immediately preceding the date of the
30 claim for adjustment.

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SENATE AMENDMENT TO HOUSE FILE 2433

H-6028

1 Amend House File 2433 as amended, passed and
2 reprinted by the House as follows:
3 1. Page 5, by inserting after line 5 the following:
4 "Sec. 1000. Section 96.7, subsection 3, paragraph
5 d, unnumbered paragraph 6, Code Supplement 1983, is
6 amended to read as follows:
7 During any rate year ~~in-which-a-rate-table-in-rate~~
8 ~~tables-three-through-nine-is-effective~~ an employer
9 assigned a contribution rate under this lettered
10 paragraph is not required to contribute to the
11 unemployment compensation trust fund if the employer's
12 percentage of excess is seven point five percent or
13 greater for the rate year and the employer has not
14 been charged with benefit payments for any time within
15 the twenty-four calendar quarters immediately preceding
16 the rate computation date for the rate year. If an
17 employer is not required to contribute for a rate
18 year to the trust fund under this unnumbered paragraph
19 but would be required to contribute for the next rate
20 year under this lettered paragraph, the employer's
21 contribution rate for the next rate year is either
22 the employer's experience rate computed under this
23 lettered paragraph or one and eight-tenths percent,
24 whichever is less. For subsequent years, either the
25 employer is not required to contribute under this
26 unnumbered paragraph or the employer's contribution
27 rate is the employer's experience rate computed under
28 this lettered paragraph.
29 Sec. 1001. Section 96.7, subsection 3, paragraph
30 d, unnumbered paragraph 7, Code Supplement 1983, is
31 amended by striking the unnumbered paragraph."
32 2. Page 6, line 8, by striking the word
33 "overpayments" and inserting in lieu thereof the word
34 "benefits".
35 3. Page 7, by inserting after line 26 the
36 following:
37 "____. Sections 1000 and 1001 of this Act are
38 retroactive to April 1, 1984 and apply to contributions
39 for calendar quarters beginning on or after April
40 1, 1984."
41 4. Renumbering as necessary.

H-6028 FILED APRIL 2, 1984

RECEIVED FROM THE SENATE

House concurred 4/18 (p. 2238)

HOUSE FILE 2433

AN ACT

AMENDING IOWA'S UNEMPLOYMENT COMPENSATION LAW BY LIMITING THE WAIVER OF CERTAIN REQUIREMENTS IN JOB RUMPING SITUATIONS, BY TREATING EDUCATIONAL EMPLOYEES SIMILARLY FOR PURPOSES OF DENYING BENEFITS DURING CERTAIN REGULAR ACADEMIC RECESSES, BY SWITCHING THE BURDEN OF PRODUCING EVIDENCE BACK TO THE EMPLOYEE IN CERTAIN CASES, BY MODIFYING CERTAIN SPECIAL CONTRIBUTION RATE REQUIREMENTS BOTH PROSPECTIVELY AND RETROACTIVELY, BY AUTHORIZING RECOMPUTATION OF EMPLOYER RATES IN CERTAIN OVERPAYMENT CASES, BY CREDITING CERTAIN EARNED INTEREST TO THE TEMPORARY EMERGENCY SURCHARGE FUND, AND BY PROVIDING FOR CONTRIBUTION REFUNDS IN OVERPAYMENT CASES.

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

Section 1. Section 96.4, subsection 3, Code Supplement 1983, is amended to read as follows:

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. ~~The provision of this subsection shall be~~ is waived if the individual is deemed temporarily unemployed as defined in section 96.19, subsection 9, paragraph "c" or if the work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept, suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "1".

Sec. 2. Section 96.4, subsection 5, Code Supplement 1983, is amended to read as follows:

5. Benefits based on service in employment in a nonprofit organization or government entity, defined in section 96.19, subsection 5, ~~shall be~~ are payable in the same amount, on

the same terms and subject to the same conditions as compensation payable on the same basis of other service subject to this chapter, except that:

a. Benefits based on service in an instructional, research, or principal administrative capacity in an educational institution of higher education including service in or provided to or on behalf of an educational institution while in the employ of an educational service agency, a government entity, or a nonprofit organization shall not be paid to an individual for any week of unemployment which begins during the period between two successive academic years or during a similar period between two regular terms, whether or not successive, or during a period of paid sabbatical leave, provided for in the individual's contract, if the individual has a contract or ~~contracts to~~ reasonable assurance that the individual will perform services in any such capacity for any educational institution or institutions of higher education for both such academic years or both such terms.

b. Benefits based on service in ~~employment defined in section 96.19, subsection 6, and based on service after December 31, 1977, in an instructional, research, or principal administrative~~ any other capacity for an educational institution ~~operated by~~ including service in or provided to or on behalf of an educational institution while in the employ of an educational service agency, a government entity, or a nonprofit organization, shall not be paid to an individual for any week of unemployment which begins during the period between two successive academic years or terms, ~~for when an agreement provides instead for a similar period between two regular but not successive terms during such period~~ to any individual if such the individual performs such the services in the first of such academic years or terms and if there is a contract or has reasonable assurance that such the individual will perform services in any such capacity for any educational institution the second of such academic

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years or terms, or during a period of paid sabbatical leave provided for in the individual's contract; and, if benefits are denied to an individual for any week as a result of this paragraph and the individual is not offered an opportunity to perform the services for an educational institution for the second of such academic years or terms, the individual is entitled to retroactive payments of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this paragraph.

c. With respect to services in any other capacity for an educational institution in any capacity under paragraph a or b, benefits shall not be paid to an individual for any week of unemployment which begins during the period between two successive academic years or terms if the individual performs the services in the first of such academic years or terms and there is a reasonable assurance that the individual will perform such services in the second of such academic years or terms; -- if benefits are denied to an individual for any week as a result of this paragraph and the individual is not offered an opportunity to perform such services for the educational institution for the second of such academic years or terms, the individual is entitled to a retroactive payment of benefits for each week for which the individual filed a timely claim for benefits and for which benefits were denied solely by reason of this paragraph an established and customary vacation period or holiday recess if the individual performs the services in the period immediately before such vacation period or holiday recess, and the individual has reasonable assurance that the individual will perform the services in the period immediately following such vacation period or holiday recess.

d. With respect to any services performed after July 1, 1977, in any capacity for an educational institution other than an institution of higher education, compensation payable

on the basis of such services shall not be paid to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess; and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess. For purposes of this subsection, "educational service agency" means a governmental agency or government entity which is established and operated exclusively for the purpose of providing educational services to one or more educational institutions.

e. -- With respect to services performed after December 31, 1977, in an instructional, research, or principal administrative capacity in an institution of higher education, compensation payable on the basis of such services shall be denied to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess; and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess.

Sec. 3. Section 96.6, subsection 2, Code Supplement 1983, is amended to read as follows.

2. INITIAL DETERMINATION. A representative designated by the director shall promptly notify all interested parties to the claim of the its filing thereof, and the parties shall have ten days from the date of mailing the notice of the filing of said the claim by ordinary mail to the last known address to protest payment of benefits to said the claimant. The representative shall promptly examine the claim and any protest thereto, take the initiative to ascertain relevant information concerning the claim, and, on the basis of the facts found by the representative, shall determine whether

or not ~~such~~ the claim is valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and ~~the~~ its maximum duration ~~thereof~~, and whether any disqualification shall be imposed. The claimant has the burden of proving that the claimant meets the basic eligibility conditions of section 96.4. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to section 96.5. However, the claimant has the initial burden to produce evidence showing that the claimant is not disqualified for benefits in cases involving section 96.5, subsection 1, paragraphs "a" through "i", and subsection 10. Unless the claimant or other interested party, after notification or within ten calendar days after ~~such~~ notification was mailed to the claimant's last known address, files an appeal from ~~such~~ the decision, ~~such~~ the decision ~~shall be~~ is final and benefits shall be paid or denied in accordance ~~therewith~~ with it. If a hearing officer affirms a decision of the representative, or the appeal board affirms a decision of the hearing officer allowing benefits, ~~such~~ the benefits shall be paid regardless of any appeal which ~~may~~ is thereafter be taken, but if ~~such~~ the decision is finally reversed, no employer's account shall be charged with benefits so paid.

Sec. 4. Section 96.7, subsection 3, paragraph d, unnumbered paragraph 6, Code Supplement 1983, is amended to read as follows:

During any rate year ~~in which a rate table in rate tables three through nine is effective~~ an employer assigned a contribution rate under this lettered paragraph is not required to contribute to the unemployment compensation trust fund if the employer's percentage of excess is seven point five percent or greater for the rate year and the employer has not been charged with benefit payments for any time within the twenty-four calendar quarters immediately preceding the rate computation date for the rate year. If an employer is

not required to contribute for a rate year to the trust fund under this unnumbered paragraph but would be required to contribute for the next rate year under this lettered paragraph, the employer's contribution rate for the next rate year is either the employer's experience rate computed under this lettered paragraph or one and eight-tenths percent, whichever is less. For subsequent years, either the employer is not required to contribute under this unnumbered paragraph or the employer's contribution rate is the employer's experience rate computed under this lettered paragraph.

Sec. 5. Section 96.7, subsection 3, paragraph d, unnumbered paragraph 7, Code Supplement 1983, is amended by striking the unnumbered paragraph.

Sec. 6. Section 96.7, subsection 3, paragraph e, unnumbered paragraph 2, Code Supplement 1983, is amended to read as follows:

If an employer's account ~~is~~ has been charged with benefits ~~in a calendar quarter prior to the rate computation date~~ as the result of a decision allowing benefits and the decision is reversed ~~after the rate computation date~~, the employer may appeal, within thirty days from the date of the next contribution rate notice, for a recomputation of the rate. If a base period employer's account has been charged with benefits paid to an employee at a time when the employee was employed by the base period employer in the same employment as in the base period, the employer may appeal, within thirty days from the date of the first notice of the employer's contribution rate which is based on the charges, for a recomputation of the rate. The department shall remove the benefit charges from the rate computation, recompute the contribution rate, and notify the employer of the recomputed contribution rate.

Sec. 7. Section 96.7, subsection 15, unnumbered paragraph 2, Code 1983, is amended to read as follows:

A special fund to be known as the temporary emergency tax surcharge fund is created in the state treasury. The special fund is separate and distinct from the unemployment compensation trust fund. All contributions collected from the temporary emergency tax surcharge shall be deposited in the special fund. The special fund shall be used only to pay interest accruing on advance moneys received from the federal government for the payment of unemployment compensation benefits. Interest earned upon moneys in the special fund shall be deposited in and credited to the special fund.

Sec. 8. Section 26.14, subsection 5, Code 1983, is amended to read as follows:

5. REFUNDS, COMPROMISES AND SETTLEMENTS. ~~IN-ANY-CASE~~ ~~IN-WHICH~~ if the department finds that an employer has paid contributions or interest ~~thereon~~ on contributions, which have been erroneously paid or which have been paid solely due to benefits initially charged against but later removed from an employer's account, and who the employer has filed an application for adjustment thereof, the department shall make such an adjustment, compromise, or settlement, and make such, at the employer's option, shall either refund of erroneous the payments as-it-finds-just-and-equitable-in-the premises or treat the payments as voluntary contributions with no limitation on the payments' effects on the employer's contribution rate. Refunds so made shall be charged to the fund to which the ~~erroneous~~ collections have been credited, and shall be paid to the claimant without interest. Any A claim for ~~such~~ refund shall be made within three years from the date of payment. For like cause, adjustments, compromises or refunds may be made by the department on its own initiative. ~~IN-ANY-CASE-IN-WHICH~~ If the department finds that the contribution that has been assessed against an employer is of doubtful collectibility or may not be collected in full, the department may institute a proceeding in the district court in the county in which the ~~enterprise~~ employer against

which ~~such~~ the tax is levied is located, requesting authority to compromise ~~such~~ the contribution. Notice of the filing of ~~such~~ an application shall be given to the interested parties as the court may prescribe. The court upon ~~such~~ such hearing ~~shall~~ have-power-to may authorize the department to compromise and settle its claim for ~~such~~ the contribution and shall fix the amount to be received by the department in full settlement of ~~such~~ the claim and shall authorize the release of the department's lien for ~~such~~ the contribution.

Sec. 9. PUBLICATION. This Act, being deemed of immediate importance, takes effect from and after its publication in The Sioux City Journal, a newspaper published in Sioux City, Iowa, and in the Waterloo Courier Record, a newspaper published in Waterloo, Iowa, and is retroactive to the extent provided in section 10 of this Act.

Sec. 10. EFFECTIVE DATES. Except as otherwise provided in this section, this Act takes effect July 1 following enactment.

1. Section 2 of this Act is retroactive to April 1, 1984 and applies to benefits paid for weeks beginning on or after April 1, 1984.

2. Notwithstanding the requirement in section 6 of this Act that the recomputation appeal be made within thirty days from the date of the next contribution rate notice, an employee may appeal for a recomputation of contribution rates for calendar year 1983 or 1984, or both, within thirty days from the date of the first contribution rate notice issued on or after the effective date of this Act.

Notwithstanding the requirement in section 6 of this Act that the recomputation appeal be made within thirty days from the date of the first contribution rate notice based on the charges, an employer may appeal for a recomputation of contribution rates for calendar year 1983 or 1984, or both, within thirty days from the date of the contribution rate notice issued for calendar year 1985.

3. Sections 4 and 5 of this Act are retroactive to April 1, 1984 and apply to contributions for calendar quarters beginning on or after April 1, 1984.

4. Section 8 of this Act applies to claims for the adjustment of contributions or interest on contributions paid within the three years immediately preceding the date of the claim for adjustment.

DONALD D. AVENSON
Speaker of the House

CHARLES P. MILLER
President Pro Tempore of the
Senate

I hereby certify that this bill originated in the House and is known as House File 2433, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved _____, 1984

TERRY E. BRANSTAD
Governor

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