

FILED FEB 5 '03

SENATE FILE

BY DOTZLER

88

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

A BILL FOR

1 An Act relating to an employer's failure to make payments for
 2 employee health care benefits and providing a penalty.
 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

SF 88
 JUDICIARY

1 Section 1. NEW SECTION. 91A.12A CRIMINAL PENALTIES --
2 HEALTH BENEFITS PLANS.

3 An employer who knowingly fails to make payments to a
4 health benefit plan or to a designee of an employee for the
5 purpose of securing medical, health, or hospital benefits for
6 the employee, when the payments are required, or are
7 authorized by the employee under an agreement with the
8 employer or under a policy of the employer, is guilty of a
9 fraudulent practice.

10 Sec. 2. Section 714.8, Code 2003, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 21. An employer who knowingly fails to
13 make payments to a health benefit plan or to a designee of an
14 employee for the purpose of securing medical, health, or
15 hospital benefits for the employee in violation of section
16 91A.12A.

17 Sec. 3. Section 714.10, Code 2003, is amended by adding
18 the following new subsection:

19 NEW SUBSECTION. 3. A fraudulent practice which is a
20 violation of section 91A.12A.

21 EXPLANATION

22 This bill provides that it is a criminal violation of the
23 "Iowa Wage Payment Collection Law" for an employer to
24 knowingly fail to make payments to a health benefit plan or to
25 a designee of an employee for the purpose of securing medical,
26 health, or hospital benefits for the employee, when the
27 payments are required, or are authorized by the employee,
28 under an agreement with the employer or under a policy of the
29 employer.

30 The bill provides that this violation constitutes the crime
31 of a fraudulent practice in the second degree under Code
32 sections 714.8 and 714.10.

33 The bill provides that a fraudulent practice in the second
34 degree is committed by a violation of Code section 91A.12A. A
35 fraudulent practice in the second degree is a class "D" felony

1 and is punishable by confinement for no more than five years
2 and a fine of at least \$750 but not more than \$7,500.

- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35