

FILED APR 29 2005

BUSINESS & LABOR

SENATE FILE 415
BY GRONSTAL and IVERSON

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

A BILL FOR

1 An Act relating to the direct deposit of wages paid by an
2 employer, requiring a regular payday statement, and making a
3 civil penalty applicable.

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

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SF 415
BUSINESS & LABOR

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1 Section 1. Section 91A.3, subsection 3, Code 2005, is
2 amended to read as follows:

3 3. The wages paid under subsection 1 shall be sent to the
4 employee by mail or be paid at the employee's normal place of
5 employment during normal employment hours or at a place and
6 hour mutually agreed upon by the employer and employee, or the
7 employee may elect to have the wages sent for direct deposit
8 into a financial institution designated by the employee. An
9 employer shall not require a current employee to participate
10 in direct deposit. However, the employer may require, as a
11 condition of hire, a new employee to sign up for direct
12 deposit of the employee's wages in a financial institution of
13 the employee's choice unless the costs to the employee of
14 establishing and maintaining an account for purposes of the
15 direct deposit would effectively reduce the employee's wages
16 to a level below the minimum wage provided under section
17 91D.1.

18 Sec. 2. Section 91A.6, Code 2005, is amended by adding the
19 following new subsection:

20 NEW SUBSECTION. 4. On each regular payday, the employer
21 shall send to each employee by mail or shall provide at the
22 employee's normal place of employment during normal employment
23 hours a statement showing the hours the employee worked, the
24 wages earned by the employee, and deductions made for the
25 employee.

26 EXPLANATION

27 This bill permits an employer to direct deposit an
28 employee's wages into a financial institution of the
29 employee's choice if the employee authorizes direct deposit.
30 The bill also requires an employer to provide each employee,
31 on each regular payday, with a statement showing the hours the
32 employee worked, the wages earned by each employee, and
33 deductions made for the employee.

34 The bill prohibits employers from requiring current
35 employees to direct deposit their wages, but allows an

1 employer to require new employees, as a condition of hire, to
2 use direct deposit unless the costs of establishing and
3 maintaining such an account effectively reduce the employee's
4 hourly wage rate to a level below that of the state's minimum
5 wage requirements.

6 An employer who violates the provisions of the Code chapter
7 this bill amends, chapter 91A, or the rules promulgated under
8 the chapter, is subject to a civil penalty.

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S-3237

1 Amend Senate File 415 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. Section 22.7, Code 2005, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 51. Confidential information, as
7 defined in section 86.45, subsection 1, filed with the
8 workers' compensation commissioner.

9 Sec. 2. Section 85.27, subsection 7, Code 2005, is
10 amended to read as follows:

11 7. If, after the third day of incapacity to work
12 following the date of sustaining a compensable injury
13 which does not result in permanent partial disability,
14 or if, at any time after sustaining a compensable
15 injury which results in permanent partial disability,
16 an employee, who is not receiving weekly benefits
17 under section 85.33 or section 85.34, subsection 1,
18 returns to work and is required to leave work for one
19 full day or less to receive services pursuant to this
20 section, the employee shall be paid an amount
21 equivalent to the wages lost at the employee's regular
22 rate of pay for the time the employee is required to
23 leave work. For the purposes of this subsection, "day
24 of incapacity to work" means eight hours of
25 accumulated absence from work due to incapacity to
26 work or due to the receipt of services pursuant to
27 this section. The employer shall make the payments
28 under this subsection as wages to the employee after
29 making such deductions from the amount as legally
30 required or customarily made by the employer from
31 wages. Payments made under this subsection shall be
32 required to be reimbursed pursuant to any insurance
33 policy covering workers' compensation. Payments under
34 this subsection shall not be construed to be payment
35 of weekly benefits.

36 Sec. 3. Section 85.35, Code 2005, is amended to
37 read as follows:

38 85.35 ~~SETTLEMENT IN CONTESTED CASE SETTLEMENTS.~~

39 1. The parties to a contested case or persons who
40 are involved in a dispute which could culminate in a
41 contested case may enter into a settlement of any
42 claim arising under this chapter or chapter 85A, 85B,
43 or 86, providing for final disposition of the claim,
44 ~~provided that no final disposition affecting rights to~~
45 ~~future benefits may be had when the only dispute is~~
46 ~~the degree of disability resulting from an injury for~~
47 ~~which an award for payments or agreement for~~
48 ~~settlement under section 86.13 has been made.~~ The
49 settlement shall be in writing on forms prescribed by
50 the workers' compensation commissioner and submitted

S-3237

1 to the workers' compensation commissioner for
2 approval.

3 2. The parties may enter into an agreement for
4 settlement that establishes the employer's liability,
5 fixes the nature and extent of the employee's current
6 right to accrued benefits, and establishes the
7 employee's right to statutory benefits that accrue in
8 the future.

9 3. The parties may enter into a compromise
10 settlement of the employee's claim to benefits as a
11 full and final disposition of the claim.

12 4. The parties may enter into a settlement that is
13 a combination of an agreement for settlement and a
14 compromise settlement that establishes the employer's
15 liability for part of a claim but makes a full and
16 final disposition of other parts of a claim.

17 5. A contingent settlement may be made and
18 approved, conditioned upon subsequent approval by a
19 court or governmental agency, or upon any other
20 subsequent event that is expected to occur within one
21 year from the date of the settlement. If the
22 subsequent approval or event does not occur, the
23 contingent settlement and its approval may be vacated
24 by order of the workers' compensation commissioner
25 upon a petition for vacation filed by one of the
26 parties or upon agreement by all parties. If a
27 contingent settlement is vacated, the running of any
28 period of limitation provided for in section 85.26 is
29 tolled from the date the settlement was initially
30 approved until the date that the settlement is
31 vacated, and the claim is restored to the status that
32 the claim held when the contingent settlement was
33 initially approved. The contingency on a settlement
34 lapses and the settlement becomes final and fully
35 enforceable if an action to vacate the contingent
36 settlement or to extend the period of time allowed for
37 the subsequent approval or event to occur is not
38 initiated within one year from the date that the
39 contingent settlement was initially approved.

40 6. The parties may agree that settlement proceeds,
41 which are paid in a lump sum, are intended to
42 compensate the injured worker at a given monthly or
43 weekly rate over the life expectancy of the injured
44 worker. If such an agreement is reached, neither the
45 weekly compensation rate which either has been paid,
46 or should have been paid, throughout the case, nor the
47 maximum statutory weekly rate applicable to the injury
48 shall apply. Instead, the rate set forth in the
49 settlement agreement shall be the rate for the case.

50 The settlement shall not be approved unless

~~1 evidence of a bona fide dispute exists concerning any
2 of the following:~~

~~3 1. The claimed injury arose out of or in the
4 course of the employment.~~

~~5 2. The injured employee gave notice under section
6 85.23.~~

~~7 3. Whether or not the statutes of limitations as
8 provided in section 85.26 have run. When the issue
9 involved is whether or not the statute of limitations
10 of section 85.26, subsection 2, has run, the final
11 disposition shall pertain to the right to weekly
12 compensation unless otherwise provided for in
13 subsection 7 of this section.~~

~~14 4. The injury was caused by the employee's willful
15 intent to injure the employee's self or to willfully
16 injure another.~~

~~17 5. Intoxication, which did not arise out of and in
18 the course of employment but which was due to the
19 effects of alcohol or another narcotic, depressant,
20 stimulant, hallucinogenic, or hypnotic drug not
21 prescribed by an authorized medical practitioner, was
22 a substantial factor in causing the employee's injury.~~

~~23 6. The injury was caused by the willful act of a
24 third party directed against the employee for reasons
25 personal to such employee.~~

~~26 7. This chapter or chapter 85A, 85B, 86 or 87
27 applies to the party making the claim.~~

~~28 8. A substantial portion of the claimed disability
29 is related to physical or mental conditions other than
30 those caused by the injury.~~

~~31 7. A settlement shall be approved by the workers'
32 compensation commissioner if the parties show all of
33 the following:~~

~~34 a. Substantial evidence exists to support the
35 terms of the settlement.~~

~~36 b. Waiver of the employee's right to a hearing,
37 decision, and statutory benefits is made knowingly by
38 the employee.~~

~~39 c. The settlement is a reasonable and informed
40 compromise of the competing interests of the parties.~~

~~41 If an employee is represented by legal counsel, it
42 is presumed that the required showing for approval of
43 the settlement has been made.~~

~~44 8. Approval of a settlement by the workers'
45 compensation commissioner shall be is binding on the
46 parties and shall not be construed as an original
47 proceeding. Notwithstanding any provisions of this
48 chapter and chapters 85A, 85B, 86 and 87, an approved
49 compromise settlement shall constitute a final bar to
50 any further rights arising under this chapter and~~

1 chapters 85A, 85B, 86, and 87. ~~Such~~ regarding the
2 subject matter of the compromise and a payment made
3 pursuant to a compromise settlement agreement shall
4 not be construed as the payment of weekly
5 compensation.

6 Sec. 4. Section 85.38, subsection 2, unnumbered
7 paragraph 2, Code 2005, is amended to read as follows:

8 If an employer denies liability under this chapter,
9 chapter 85A, or chapter 85B, for payment for any
10 medical services received or weekly compensation
11 requested by an employee ~~with a disability~~, and the
12 employee is a beneficiary under either an individual
13 or group plan for nonoccupational illness, injury, or
14 disability, the nonoccupational plan shall not deny
15 payment for the medical services received or for
16 benefits under the plan on the basis that the
17 employer's liability ~~for the medical services~~ under
18 this chapter, chapter 85A, or chapter 85B is
19 unresolved.

20 Sec. 5. Section 85.71, Code 2005, is amended by
21 adding the following new subsection:

22 NEW SUBSECTION. 5. The employer has a place of
23 business in Iowa, and the employee is working under a
24 contract of hire which provides that the employee's
25 workers' compensation claims be governed by Iowa law.

26 Sec. 6. Section 86.24, subsection 4, Code 2005, is
27 amended to read as follows:

28 4. A transcript of a contested case proceeding
29 shall be provided to the workers' compensation
30 commissioner by an appealing party at the party's cost
31 ~~and an affidavit shall be filed by the appealing party~~
32 ~~or the party's attorney with the workers' compensation~~
33 ~~commissioner within ten days after the filing of the~~
34 ~~appeal to the workers' compensation commissioner~~
35 ~~stating that the transcript has been ordered and~~
36 ~~identifying the name and address of the reporter or~~
37 ~~reporting firm from which the transcript has been~~
38 ~~ordered.~~

39 Sec. 7. NEW SECTION. 86.45 CONFIDENTIAL
40 INFORMATION.

41 1. "Confidential information", for the purposes of
42 this section, means all information that is filed with
43 the workers' compensation commissioner as a result of
44 an employee's injury or death that would allow the
45 identification of the employee or the employee's
46 dependents. Confidential information includes first
47 reports of injury and subsequent reports of claim
48 activity. Confidential information does not include
49 pleadings, motions, decisions, opinions, or
50 applications for settlement that are filed with the

1 workers' compensation commissioner.

2 2. The workers' compensation commissioner shall
3 not disclose confidential information except as
4 follows:

5 a. Pursuant to the terms of a written waiver of
6 confidentiality executed by the employee or the
7 dependents of the employee whose information is filed
8 with the workers' compensation commissioner.

9 b. To another governmental agency, or to an
10 advisory, rating, or research organization, for the
11 purpose of compiling statistical data, evaluating the
12 state's workers' compensation system, or conducting
13 scientific, medical, or public policy research, where
14 such disclosure will not allow the identification of
15 the employee or the employee's dependents.

16 c. To the employee or to the agent or attorney of
17 the employee whose information is filed with the
18 workers' compensation commissioner.

19 d. To the person or to the agent of the person who
20 submitted the information to the workers' compensation
21 commissioner.

22 e. To an agent, representative, attorney,
23 investigator, consultant, or adjuster of an employer,
24 or insurance carrier or third-party administrator of
25 workers' compensation benefits, who is involved in
26 administering a claim for such benefits related to the
27 injury or death of the employee whose information is
28 filed with the workers' compensation commissioner.

29 f. To all parties to a contested case proceeding
30 before the workers' compensation commissioner in which
31 the employee or a dependent of the employee, whose
32 information is filed with the workers' compensation
33 commissioner, is a party.

34 g. In compliance with a subpoena.

35 h. To an agent, representative, attorney,
36 investigator, consultant, or adjuster of the employee,
37 employer, or insurance carrier or third-party
38 administrator of insurance benefits, who is involved
39 in administering a claim for insurance benefits
40 related to the injury or death of the employee whose
41 information is filed with the workers' compensation
42 commissioner.

43 i. To another governmental agency that is charged
44 with the duty of enforcing liens or rights of
45 subrogation or indemnity.

46 3. This section does not create a cause of action
47 for a violation of its provisions against the workers'
48 compensation commissioner or against the state or any
49 governmental subdivision of the state.

50 Sec. 8. Section 87.11, unnumbered paragraph 1,

1 Code 2005, is amended to read as follows:

2 When an employer coming under this chapter
3 furnishes satisfactory proofs to the insurance
4 commissioner of such employer's solvency and financial
5 ability to pay the compensation and benefits as by law
6 provided and to make such payments to the parties when
7 entitled thereto, or when such employer deposits with
8 the insurance commissioner security satisfactory to
9 the insurance commissioner ~~and the workers'~~
10 ~~compensation commissioner~~ as guaranty for the payment
11 of such compensation, such employer shall be relieved
12 of the provisions of this chapter requiring insurance;
13 but such employer shall, from time to time, furnish
14 such additional proof of solvency and financial
15 ability to pay as may be required by such insurance
16 commissioner ~~or workers' compensation commissioner~~.
17 Such security shall be held in trust for the sole
18 purpose of paying compensation and benefits and is not
19 subject to attachment, levy, execution, garnishment,
20 liens, or any other form of encumbrance. However, the
21 insurance commissioner shall be reimbursed from the
22 security for all costs and fees incurred by the
23 insurance commissioner in resolving disputes involving
24 the security. A political subdivision, including a
25 city, county, community college, or school
26 corporation, that is self-insured for workers'
27 compensation is not required to submit a plan or
28 program to the insurance commissioner for review and
29 approval.

30 Sec. 9. Section 87.14A, Code 2005, is amended to
31 read as follows:

32 87.14A INSURANCE ~~OR BOND~~ REQUIRED.

33 An employer subject to this chapter and chapters
34 85, 85A, 85B, and 86 shall not engage in business
35 without first obtaining insurance covering
36 compensation benefits or obtaining relief from
37 insurance as provided in this chapter ~~or furnishing a~~
38 ~~bond pursuant to section 87.16.~~ A person who
39 willfully and knowingly violates this section is
40 guilty of a class "D" felony.

41 Sec. 10. Section 87.19, unnumbered paragraph 1,
42 Code 2005, is amended to read as follows:

43 Upon the receipt of information by the workers'
44 compensation commissioner of any employer failing to
45 comply with ~~sections 87.16 and 87.17~~ section 87.14A,
46 the commissioner shall at once notify such employer by
47 certified mail that unless such employer comply with
48 the requirements of law, legal proceedings will be
49 instituted to enforce such compliance.

50 Sec. 11. Section 87.20, Code 2005, is amended to

1 read as follows:

2 87.20 REVOCATION OF RELEASE FROM INSURANCE.

3 The insurance commissioner ~~with the concurrence of~~
4 ~~the workers' compensation commissioner~~ may, at any
5 time, upon reasonable notice to such employer and upon
6 hearing, revoke for cause any order theretofore made
7 relieving any employer from carrying insurance as
8 provided by this chapter.

9 Sec. 12. Section 91A.3, subsection 3, Code 2005,
10 is amended to read as follows:

11 3. The wages paid under subsection 1 shall be sent
12 to the employee by mail or be paid at the employee's
13 normal place of employment during normal employment
14 hours or at a place and hour mutually agreed upon by
15 the employer and employee, or the employee may elect
16 to have the wages sent for direct deposit, on or by
17 the regular payday of the employee, into a financial
18 institution designated by the employee. An employer
19 shall not require a current employee to participate in
20 direct deposit. The employer may require, as a
21 condition of hire, a new employee to sign up for
22 direct deposit of the employee's wages in a financial
23 institution of the employee's choice unless either of
24 the following conditions exist:

25 a. The costs to the employee of establishing and
26 maintaining an account for purposes of the direct
27 deposit would effectively reduce the employee's wages
28 to a level below the minimum wage provided under
29 section 91D.1.

30 b. The provisions of a collective bargaining
31 agreement mutually agreed upon by the employer and the
32 employee organization prohibit the employer from
33 requiring an employee to sign up for direct deposit as
34 a condition of hire.

35 Sec. 13. Section 91A.6, Code 2005, is amended by
36 adding the following new subsection:

37 NEW SUBSECTION. 4. On each regular payday, the
38 employer shall send to each employee by mail or shall
39 provide at the employee's normal place of employment
40 during normal employment hours a statement showing the
41 hours the employee worked, the wages earned by the
42 employee, and deductions made for the employee. An
43 employer who provides each employee access to view an
44 electronic statement of the employee's earnings and
45 provides the employee free and unrestricted access to
46 a printer to print the employee's statement of
47 earnings, if the employee chooses, is in compliance
48 with this subsection.

49 Sec. 14. Sections 87.16 and 87.17, Code 2005, are
50 repealed."

S-3237

Page 8

1 3. Title page, line 1, by inserting after the
2 word "to" the following: "employment, including the
3 payment of weekly workers' compensation benefits,
4 workers' compensation settlements and filings, and".

5 4. Title page, lines 2 and 3, by striking the
6 words "a civil penalty" and inserting the following:
7 "civil penalties".

8 5. By renumbering as necessary.

By WILLIAM A. DOTZLER

S-3237 FILED MAY 3, 2005

ADOPTED

(AS AMENDED AND PASSED BY THE SENATE MAY 3, 2005)

ALL New Language by the Senate

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to employment, including the payment of weekly
2 workers' compensation benefits, workers' compensation
3 settlements and filings, and the direct deposit of wages paid
4 by an employer, requiring a regular payday statement, and
5 making civil penalties applicable.

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

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1 Section 1. Section 22.7, Code 2005, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 51. Confidential information, as defined
4 in section 86.45, subsection 1, filed with the workers'
5 compensation commissioner.

6 Sec. 2. Section 85.27, subsection 7, Code 2005, is amended
7 to read as follows:

8 7. If, after the third day of incapacity to work following
9 the date of sustaining a compensable injury which does not
10 result in permanent partial disability, or if, at any time
11 after sustaining a compensable injury which results in
12 permanent partial disability, an employee, who is not
13 receiving weekly benefits under section 85.33 or section
14 85.34, subsection 1, returns to work and is required to leave
15 work for one full day or less to receive services pursuant to
16 this section, the employee shall be paid an amount equivalent
17 to the wages lost at the employee's regular rate of pay for
18 the time the employee is required to leave work. For the
19 purposes of this subsection, "day of incapacity to work" means
20 eight hours of accumulated absence from work due to incapacity
21 to work or due to the receipt of services pursuant to this
22 section. The employer shall make the payments under this
23 subsection as wages to the employee after making such
24 deductions from the amount as legally required or customarily
25 made by the employer from wages. Payments made under this
26 subsection shall be required to be reimbursed pursuant to any
27 insurance policy covering workers' compensation. Payments
28 under this subsection shall not be construed to be payment of
29 weekly benefits.

30 Sec. 3. Section 85.35, Code 2005, is amended to read as
31 follows:

32 85.35 ~~SETTLEMENT-IN-CONTESTED-CASE~~ SETTLEMENTS.

33 1. The parties to a contested case or persons who are
34 involved in a dispute which could culminate in a contested
35 case may enter into a settlement of any claim arising under

1 this chapter or chapter 85A, 85B, or 86, providing for final
2 disposition of the claim, ~~provided that no final disposition~~
3 ~~affecting rights to future benefits may be had when the only~~
4 ~~dispute is the degree of disability resulting from an injury~~
5 ~~for which an award for payments or agreement for settlement~~
6 ~~under section 86.13 has been made.~~ The settlement shall be in
7 writing on forms prescribed by the workers' compensation
8 commissioner and submitted to the workers' compensation
9 commissioner for approval.

10 2. The parties may enter into an agreement for settlement
11 that establishes the employer's liability, fixes the nature
12 and extent of the employee's current right to accrued
13 benefits, and establishes the employee's right to statutory
14 benefits that accrue in the future.

15 3. The parties may enter into a compromise settlement of
16 the employee's claim to benefits as a full and final
17 disposition of the claim.

18 4. The parties may enter into a settlement that is a
19 combination of an agreement for settlement and a compromise
20 settlement that establishes the employer's liability for part
21 of a claim but makes a full and final disposition of other
22 parts of a claim.

23 5. A contingent settlement may be made and approved,
24 conditioned upon subsequent approval by a court or
25 governmental agency, or upon any other subsequent event that
26 is expected to occur within one year from the date of the
27 settlement. If the subsequent approval or event does not
28 occur, the contingent settlement and its approval may be
29 vacated by order of the workers' compensation commissioner
30 upon a petition for vacation filed by one of the parties or
31 upon agreement by all parties. If a contingent settlement is
32 vacated, the running of any period of limitation provided for
33 in section 85.26 is tolled from the date the settlement was
34 initially approved until the date that the settlement is
35 vacated, and the claim is restored to the status that the

1 claim held when the contingent settlement was initially
2 approved. The contingency on a settlement lapses and the
3 settlement becomes final and fully enforceable if an action to
4 vacate the contingent settlement or to extend the period of
5 time allowed for the subsequent approval or event to occur is
6 not initiated within one year from the date that the
7 contingent settlement was initially approved.

8 6. The parties may agree that settlement proceeds, which
9 are paid in a lump sum, are intended to compensate the injured
10 worker at a given monthly or weekly rate over the life
11 expectancy of the injured worker. If such an agreement is
12 reached, neither the weekly compensation rate which either has
13 been paid, or should have been paid, throughout the case, nor
14 the maximum statutory weekly rate applicable to the injury
15 shall apply. Instead, the rate set forth in the settlement
16 agreement shall be the rate for the case.

17 ~~The settlement shall not be approved unless evidence of a~~
18 ~~bona-fide dispute exists concerning any of the following:~~
19 ~~1.--The claimed injury arose out of or in the course of the~~
20 ~~employment.~~

21 ~~2.--The injured employee gave notice under section 85.23.~~
22 ~~3.--Whether or not the statutes of limitations as provided~~
23 ~~in section 85.26 have run.--When the issue involved is whether~~
24 ~~or not the statute of limitations of section 85.26, subsection~~
25 ~~2, has run, the final disposition shall pertain to the right~~
26 ~~to weekly compensation unless otherwise provided for in~~
27 ~~subsection 7 of this section.~~

28 ~~4.--The injury was caused by the employee's willful intent~~
29 ~~to injure the employee's self or to willfully injure another.~~

30 ~~5.--Intoxication, which did not arise out of and in the~~
31 ~~course of employment but which was due to the effects of~~
32 ~~alcohol or another narcotic, depressant, stimulant,~~
33 ~~hallucinogenic, or hypnotic drug not prescribed by an~~
34 ~~authorized medical practitioner, was a substantial factor in~~
35 ~~causing the employee's injury.~~

1 ~~6.--The injury was caused by the willful act of a third~~
2 ~~party directed against the employee for reasons personal to~~
3 ~~such employee.~~

4 ~~7.--This chapter or chapter 85A, 85B, 86 or 87 applies to~~
5 ~~the party making the claim.~~

6 ~~8.--A substantial portion of the claimed disability is~~
7 ~~related to physical or mental conditions other than those~~
8 ~~caused by the injury.~~

9 7. A settlement shall be approved by the workers'
10 compensation commissioner if the parties show all of the
11 following:

12 a. Substantial evidence exists to support the terms of the
13 settlement.

14 b. Waiver of the employee's right to a hearing, decision,
15 and statutory benefits is made knowingly by the employee.

16 c. The settlement is a reasonable and informed compromise
17 of the competing interests of the parties.

18 If an employee is represented by legal counsel, it is
19 presumed that the required showing for approval of the
20 settlement has been made.

21 8. Approval of a settlement by the workers' compensation
22 commissioner shall be is binding on the parties and shall not
23 be construed as an original proceeding. Notwithstanding any
24 provisions of this chapter and chapters 85A, 85B, 86 and 87,
25 an approved compromise settlement shall constitute a final bar
26 to any further rights arising under this chapter and chapters
27 85A, 85B, 86, and 87.--Such regarding the subject matter of
28 the compromise and a payment made pursuant to a compromise
29 settlement agreement shall not be construed as the payment of
30 weekly compensation.

31 Sec. 4. Section 85.38, subsection 2, unnumbered paragraph
32 2, Code 2005, is amended to read as follows:

33 If an employer denies liability under this chapter, chapter
34 85A, or chapter 85B, for payment for any medical services
35 received or weekly compensation requested by an employee with

1 a-disability, and the employee is a beneficiary under either
2 an individual or group plan for nonoccupational illness,
3 injury, or disability, the nonoccupational plan shall not deny
4 payment for the medical services received or for benefits
5 under the plan on the basis that the employer's liability for
6 ~~the-medical-services~~ under this chapter, chapter 85A, or
7 chapter 85B is unresolved.

8 Sec. 5. Section 85.71, Code 2005, is amended by adding the
9 following new subsection:

10 NEW SUBSECTION. 5. The employer has a place of business
11 in Iowa, and the employee is working under a contract of hire
12 which provides that the employee's workers' compensation
13 claims be governed by Iowa law.

14 Sec. 6. Section 86.24, subsection 4, Code 2005, is amended
15 to read as follows:

16 4. A transcript of a contested case proceeding shall be
17 provided to the workers' compensation commissioner by an
18 appealing party at the party's cost ~~and-an-affidavit-shall-be~~
19 ~~filed-by-the-appealing-party-or-the-party's-attorney-with-the~~
20 ~~workers'-compensation-commissioner-within-ten-days-after-the~~
21 ~~filing-of-the-appeal-to-the-workers'-compensation-commissioner~~
22 ~~stating-that-the-transcript-has-been-ordered-and-identifying~~
23 ~~the-name-and-address-of-the-reporter-or-reporting-firm-from~~
24 ~~which-the-transcript-has-been-ordered.~~

25 Sec. 7. NEW SECTION. 86.45 CONFIDENTIAL INFORMATION.

26 1. "Confidential information", for the purposes of this
27 section, means all information that is filed with the workers'
28 compensation commissioner as a result of an employee's injury
29 or death that would allow the identification of the employee
30 or the employee's dependents. Confidential information
31 includes first reports of injury and subsequent reports of
32 claim activity. Confidential information does not include
33 pleadings, motions, decisions, opinions, or applications for
34 settlement that are filed with the workers' compensation
35 commissioner.

1 2. The workers' compensation commissioner shall not
2 disclose confidential information except as follows:

3 a. Pursuant to the terms of a written waiver of
4 confidentiality executed by the employee or the dependents of
5 the employee whose information is filed with the workers'
6 compensation commissioner.

7 b. To another governmental agency, or to an advisory,
8 rating, or research organization, for the purpose of compiling
9 statistical data, evaluating the state's workers' compensation
10 system, or conducting scientific, medical, or public policy
11 research, where such disclosure will not allow the
12 identification of the employee or the employee's dependents.

13 c. To the employee or to the agent or attorney of the
14 employee whose information is filed with the workers'
15 compensation commissioner.

16 d. To the person or to the agent of the person who
17 submitted the information to the workers' compensation
18 commissioner.

19 e. To an agent, representative, attorney, investigator,
20 consultant, or adjuster of an employer, or insurance carrier
21 or third-party administrator of workers' compensation
22 benefits, who is involved in administering a claim for such
23 benefits related to the injury or death of the employee whose
24 information is filed with the workers' compensation
25 commissioner.

26 f. To all parties to a contested case proceeding before
27 the workers' compensation commissioner in which the employee
28 or a dependent of the employee, whose information is filed
29 with the workers' compensation commissioner, is a party.

30 g. In compliance with a subpoena.

31 h. To an agent, representative, attorney, investigator,
32 consultant, or adjuster of the employee, employer, or
33 insurance carrier or third-party administrator of insurance
34 benefits, who is involved in administering a claim for
35 insurance benefits related to the injury or death of the

1 employee whose information is filed with the workers'
2 compensation commissioner.

3 i. To another governmental agency that is charged with the
4 duty of enforcing liens or rights of subrogation or indemnity.

5 3. This section does not create a cause of action for a
6 violation of its provisions against the workers' compensation
7 commissioner or against the state or any governmental
8 subdivision of the state.

9 Sec. 8. Section 87.11, unnumbered paragraph 1, Code 2005,
10 is amended to read as follows:

11 When an employer coming under this chapter furnishes
12 satisfactory proofs to the insurance commissioner of such
13 employer's solvency and financial ability to pay the
14 compensation and benefits as by law provided and to make such
15 payments to the parties when entitled thereto, or when such
16 employer deposits with the insurance commissioner security
17 satisfactory to the insurance commissioner ~~and-the-workers+~~
18 ~~compensation-commissioner~~ as guaranty for the payment of such
19 compensation, such employer shall be relieved of the
20 provisions of this chapter requiring insurance; but such
21 employer shall, from time to time, furnish such additional
22 proof of solvency and financial ability to pay as may be
23 required by such insurance commissioner ~~or-workers+~~
24 ~~compensation-commissioner~~. Such security shall be held in
25 trust for the sole purpose of paying compensation and benefits
26 and is not subject to attachment, levy, execution,
27 garnishment, liens, or any other form of encumbrance.
28 However, the insurance commissioner shall be reimbursed from
29 the security for all costs and fees incurred by the insurance
30 commissioner in resolving disputes involving the security. A
31 political subdivision, including a city, county, community
32 college, or school corporation, that is self-insured for
33 workers' compensation is not required to submit a plan or
34 program to the insurance commissioner for review and approval.
35 Sec. 9. Section 87.14A, Code 2005, is amended to read as

1 follows:

2 87.14A INSURANCE OR-BOND REQUIRED.

3 An employer subject to this chapter and chapters 85, 85A,
4 85B, and 86 shall not engage in business without first
5 obtaining insurance covering compensation benefits or
6 obtaining relief from insurance as provided in this chapter ~~or~~
7 ~~furnishing a bond pursuant to section 87.16.~~ A person who
8 willfully and knowingly violates this section is guilty of a
9 class "D" felony.

10 Sec. 10. Section 87.19, unnumbered paragraph 1, Code 2005,
11 is amended to read as follows:

12 Upon the receipt of information by the workers'
13 compensation commissioner of any employer failing to comply
14 with ~~sections 87.16 and 87.17~~ section 87.14A, the commissioner
15 shall at once notify such employer by certified mail that
16 unless such employer comply with the requirements of law,
17 legal proceedings will be instituted to enforce such
18 compliance.

19 Sec. 11. Section 87.20, Code 2005, is amended to read as
20 follows:

21 87.20 REVOCATION OF RELEASE FROM INSURANCE.

22 The insurance commissioner ~~with the concurrence of the~~
23 ~~workers' compensation commissioner~~ may, at any time, upon
24 reasonable notice to such employer and upon hearing, revoke
25 for cause any order theretofore made relieving any employer
26 from carrying insurance as provided by this chapter.

27 Sec. 12. Section 91A.3, subsection 3, Code 2005, is
28 amended to read as follows:

29 3. The wages paid under subsection 1 shall be sent to the
30 employee by mail or be paid at the employee's normal place of
31 employment during normal employment hours or at a place and
32 hour mutually agreed upon by the employer and employee, or the
33 employee may elect to have the wages sent for direct deposit,
34 on or by the regular payday of the employee, into a financial
35 institution designated by the employee. An employer shall not

1 require a current employee to participate in direct deposit.
2 The employer may require, as a condition of hire, a new
3 employee to sign up for direct deposit of the employee's wages
4 in a financial institution of the employee's choice unless
5 either of the following conditions exist:

6 a. The costs to the employee of establishing and
7 maintaining an account for purposes of the direct deposit
8 would effectively reduce the employee's wages to a level below
9 the minimum wage provided under section 91D.1.

10 b. The provisions of a collective bargaining agreement
11 mutually agreed upon by the employer and the employee
12 organization prohibit the employer from requiring an employee
13 to sign up for direct deposit as a condition of hire.

14 Sec. 13. Section 91A.6, Code 2005, is amended by adding
15 the following new subsection:

16 NEW SUBSECTION. 4. On each regular payday, the employer
17 shall send to each employee by mail or shall provide at the
18 employee's normal place of employment during normal employment
19 hours a statement showing the hours the employee worked, the
20 wages earned by the employee, and deductions made for the
21 employee. An employer who provides each employee access to
22 view an electronic statement of the employee's earnings and
23 provides the employee free and unrestricted access to a
24 printer to print the employee's statement of earnings, if the
25 employee chooses, is in compliance with this subsection.

26 Sec. 14. Sections 87.16 and 87.17, Code 2005, are
27 repealed.

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