

# Senate Study Bill 3045

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT OF  
WORKFORCE DEVELOPMENT  
BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to employers' participation in unemployment  
2 insurance adjudications.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TL5B 5448DP 82  
5 ak/nh/5

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1 1 Section 1. Section 96.3, subsection 7, Code 2007, is  
1 2 amended to read as follows:  
1 3 7. RECOVERY OF OVERPAYMENT OF BENEFITS.  
1 4 a. If an individual receives benefits for which the  
1 5 individual is subsequently determined to be ineligible, even  
1 6 though the individual acts in good faith and is not otherwise  
1 7 at fault, the benefits shall be recovered. The department in  
1 8 its discretion may recover the overpayment of benefits either  
1 9 by having a sum equal to the overpayment deducted from any  
1 10 future benefits payable to the individual or by having the  
1 11 individual pay to the department a sum equal to the  
1 12 overpayment.  
1 13 b. If the department determines that an overpayment has  
1 14 been made, the charge for the overpayment against the  
1 15 employer's account shall be removed and the account shall be  
1 16 credited with an amount equal to the overpayment from the  
1 17 unemployment compensation trust fund and this credit shall  
1 18 include both contributory and reimbursable employers,  
1 19 notwithstanding section 96.8, subsection 5. However, benefits  
1 20 shall not be recovered from an individual if the employer did  
1 21 not participate in the initial determination to award benefits  
1 22 pursuant to section 96.6, subsection 2, and an overpayment  
1 23 occurred because of a subsequent reversal on appeal regarding  
1 24 the issue of the individual's separation from employment.

### EXPLANATION

1 25  
1 26 This bill provides that employers who do not participate in  
1 27 the initial fact-finding determination of eligibility for  
1 28 unemployment insurance benefits but who prevail upon appeal  
1 29 will not recover charges for benefits paid to claimants prior  
1 30 to the decision denying benefits.  
1 31 LSB 5448DP 82  
1 32 ak/nh/5