

House File 515 - Introduced

HOUSE FILE 515
BY COMMITTEE ON LABOR

(SUCCESSOR TO HF 311)

(COMPANION TO LSB 1780SS BY
WARD)

A BILL FOR

1 An Act relating to the interest rate on weekly workers'
2 compensation payments that are not paid when due and
3 including applicability date provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 535.3, subsection 1, Code 2011, is
2 amended to read as follows:

3 1. Interest shall be allowed on all money due on judgments
4 and decrees of courts at a rate calculated according to section
5 668.13, ~~except.~~ However, for interest due pursuant to section
6 85.30 for which the rate shall be ten percent per year interest
7 shall accrue from the date each weekly compensation payment is
8 due at an annual rate equal to the one-year treasury constant
9 maturity published by the federal reserve in the H15 report
10 settled immediately prior to or on July 1 each year plus two
11 percent, applicable to all weekly compensation payments due
12 during the fiscal year beginning on July 1 and ending the
13 following June 30.

14 Sec. 2. APPLICABILITY. This Act applies to interest due
15 pursuant to section 85.30 on weekly compensation payments
16 payable for personal injuries arising out of and in the course
17 of employment under chapters 85, 85A, and 85B, that occur on
18 or after July 1, 2011.

19 EXPLANATION

20 This bill provides that the interest rate on weekly workers'
21 compensation payments that are not paid when due is equal
22 to the one-year treasury constant maturity published by the
23 federal reserve in the H15 report settled immediately prior
24 to July 1 plus 2 percent for all weekly compensation payments
25 due during the fiscal year beginning on July 1 and ending
26 the following June 30. The bill is applicable to injuries
27 compensable under the state's workers' compensation laws that
28 occur on or after July 1, 2011. Currently, the interest rate
29 on such weekly workers' compensation payments not paid when
30 due, is 10 percent per year.