

**House File 2173 - Introduced**

HOUSE FILE 2173

BY LOHSE

**A BILL FOR**

1 An Act concerning eligibility for unemployment benefits.

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

1 Section 1. Section 96.4, subsection 3, paragraph b, Code  
2 2024, is amended to read as follows:

3 b. Notwithstanding any provision of **this chapter** to the  
4 contrary, the department may establish by rule a process to  
5 waive or alter the work search requirements of **this subsection**  
6 for a claim for benefits if an individual has a reasonable  
7 expectation that the individual will be returning to employment  
8 and is attached to a regular job or industry or a member in  
9 good standing of a union therein eligible for referral for  
10 employment. To be considered attached to a regular job or  
11 industry, an individual must be on a short-term seasonal  
12 temporary layoff. If work is not available at the conclusion  
13 of the layoff period due to short-term circumstances beyond  
14 the employer's control, the employer may request an extension  
15 of the waiver or alteration for up to two weeks from the  
16 department. For purposes of this paragraph, "*short-term*  
17 *seasonal temporary layoff*" means a layoff period of sixteen  
18 weeks or less due to seasonal weather conditions that impact  
19 the ability to perform work ~~related to highway construction,~~  
20 ~~repair, or maintenance~~ with a specific return-to-work date  
21 verified by the employer.

22 Sec. 2. Section 96.5, subsection 3, paragraph b, Code 2024,  
23 is amended by adding the following new subparagraphs:

24 NEW SUBPARAGRAPH. (4) (a) If the individual has a  
25 reasonable expectation that the individual will be returning  
26 to employment, as defined by the department by rule, and  
27 is attached to a regular job or industry or is a member in  
28 good standing of a union therein eligible for referral for  
29 employment.

30 (b) To be considered attached to a regular job or industry,  
31 an individual must be on a short-term seasonal temporary layoff  
32 as defined in section 96.4, subsection 3.

33 NEW SUBPARAGRAPH. (5) If all of the following circumstances  
34 apply:

35 (a) The individual is unemployed due to the individual's

1 employer temporarily ceasing operations or going out of  
2 business at the factory, establishment, or other premises at  
3 which the individual was last employed.

4 (b) The reason for the employer going out of business was a  
5 result of unforeseen circumstances, including but not limited  
6 to cybersecurity attacks.

7 (c) The individual has a reasonable expectation that the  
8 individual will be returning to employment with the employer  
9 that temporarily ceased operations or went out of business.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with  
12 the explanation's substance by the members of the general assembly.

13 This bill relates to unemployment benefits.

14 Under current law, the department of workforce development  
15 may establish by rule a process to waive or alter the work  
16 search requirements for a claim for benefits if an individual  
17 has a reasonable expectation that the individual will be  
18 returning to employment and is attached to a regular job or  
19 industry or a member in good standing of a union therein  
20 eligible for referral for employment. To be considered  
21 attached to a regular job or industry, an individual must  
22 be on a "short-term temporary layoff", which is defined as  
23 a layoff period of 16 weeks or less due to seasonal weather  
24 conditions that impact the ability to perform work related to  
25 highway construction, repair, or maintenance with a specific  
26 return-to-work date verified by the employer. The bill changes  
27 the defined term to "short-term seasonal temporary layoff",  
28 and strikes the language that the work to be performed must be  
29 related to highway construction, repair, or maintenance.

30 The bill provides that benefits shall not be denied to  
31 an eligible individual for refusing to accept work if the  
32 individual has a reasonable expectation that the individual  
33 will be returning to employment, as defined by the department  
34 by rule, and is attached to a regular job or industry or is  
35 a member in good standing of a union therein eligible for

1 referral for employment. To be considered attached to a  
2 regular job or industry, an individual must be on a short-term  
3 seasonal temporary layoff.

4 The bill provides that benefits shall not be denied to  
5 an eligible individual for refusing to accept work if the  
6 individual is unemployed due to the individual's employer  
7 temporarily ceasing operations or going out of business at  
8 the factory, establishment, or other premises at which the  
9 individual was last employed; the reason for the employer going  
10 out of business was a result of unforeseen circumstances;  
11 and the individual has a reasonable expectation that the  
12 individual will be returning to employment with the employer  
13 that temporarily ceased operations or went out of business.