

House File 523 - Reprinted

HOUSE FILE 523
BY COMMITTEE ON LABOR

(SUCCESSOR TO HF 215)

(As Amended and Passed by the House March 22, 2011)

A BILL FOR

1 An Act relating to employer credits for overpayments of weekly
2 workers' compensation benefits.

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

1 Section 1. Section 85.34, subsection 4, Code 2011, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 4. *Credits for excess payments.*

5 a. If an employee is paid any weekly benefits in excess of
6 that required by this chapter and chapters 85A, 85B, and 86,
7 the excess paid by the employer shall be credited against the
8 liability of the employer as follows:

9 (1) The excess payments shall first be credited against
10 the liability of the employer for any weekly benefits owed or
11 awarded to the employee for the same injury.

12 (2) Any remaining excess payments shall be credited against
13 the liability of the same employer for any weekly benefits owed
14 or awarded for a subsequent injury to the same employee. An
15 overpayment credit to be applied to a subsequent injury can be
16 established only when the overpayment is recognized pursuant
17 to any of the following:

18 (a) A settlement agreement approved by the commissioner
19 under section 85.35, subsection 2, 4, or 5 or section 86.13.

20 (b) Final agency action in a contested case which was
21 commenced within three years from the date that weekly benefits
22 were last paid for the claim for which the benefits were
23 overpaid.

24 (c) Final agency action in a contested case for a prior
25 injury to the same employee.

26 b. A credit shall not be taken pursuant to this subsection
27 until fifteen days after the employee has been provided with
28 written notice of the amount of the credit, the basis for the
29 credit, and the manner in which the credit will be applied to
30 future weekly benefit payments. The maximum amount that an
31 employer may claim as a credit for any weekly benefit is fifty
32 percent of the employee's workers' compensation benefit rate.

33 c. For the purposes of this subsection, "weekly benefits"
34 shall include weekly compensation benefits of any kind paid or
35 owed by an employer for any of the following:

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- 1 (1) Temporary partial or temporary total disability
2 benefits under section 85.33.
- 3 (2) Healing period benefits under this section.
- 4 (3) Permanent partial or permanent total disability
5 benefits under this section.
- 6 (4) Death benefits to the employee's surviving spouse,
7 children, or other dependents under section 85.31, 85.42,
8 85.43, or 85.44.
- 9 (5) Temporary or permanent disability benefits for
10 occupational diseases under chapter 85A.
- 11 (6) Disability benefits for partial or total occupational
12 hearing loss under chapter 85B.
- 13 Sec. 2. Section 85.34, subsection 5, Code 2011, is amended
14 by striking the subsection.