

House File 518 - Reprinted

HOUSE FILE 518
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HSB 169)

(COMPANION TO LSB 1691SV BY
COMMITTEE ON COMMERCE)

(As Amended and Passed by the House March 16, 2017)

A BILL FOR

- 1 An Act relating to workers' compensation and including
- 2 applicability provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 85.16, subsection 2, Code 2017, is
2 amended to read as follows:

3 2. a. By the employee's intoxication, which did not arise
4 out of and in the course of employment but which was due
5 to the effects of alcohol or another narcotic, depressant,
6 stimulant, hallucinogenic, or hypnotic drug not prescribed by
7 an authorized medical practitioner, if the intoxication was a
8 substantial factor in causing the injury.

9 b. For the purpose of disallowing compensation under this
10 subsection, both of the following apply:

11 (1) If the employer shows that, at the time of the injury
12 or immediately following the injury, the employee had positive
13 test results reflecting the presence of alcohol, or another
14 narcotic, depressant, stimulant, hallucinogenic, or hypnotic
15 drug which drug either was not prescribed by an authorized
16 medical practitioner or was not used in accordance with the
17 prescribed use of the drug, it shall be presumed that the
18 employee was intoxicated at the time of the injury and that
19 intoxication was a substantial factor in causing the injury.

20 (2) Once the employer has made a showing as provided
21 in subparagraph (1), the burden of proof shall be on the
22 employee to overcome the presumption by establishing that the
23 employee was not intoxicated at the time of the injury, or
24 that intoxication was not a substantial factor in causing the
25 injury.

26 Sec. 2. Section 85.18, Code 2017, is amended to read as
27 follows:

28 **85.18 Contract to relieve not operative.**

29 No contract, rule, or device whatsoever shall operate to
30 relieve the employer, in whole or in part, from any liability
31 created by **this chapter** except as herein provided. This
32 section does not create a private cause of action.

33 Sec. 3. Section 85.23, Code 2017, is amended to read as
34 follows:

35 **85.23 Notice of injury — failure to give.**

1 Unless the employer or the employer's representative shall
2 have actual knowledge of the occurrence of an injury received
3 within ninety days from the date of the occurrence of the
4 injury, or unless the employee or someone on the employee's
5 behalf or a dependent or someone on the dependent's behalf
6 shall give notice thereof to the employer within ninety days
7 from the date of the occurrence of the injury, no compensation
8 shall be allowed. For the purposes of this section, "date of
9 the occurrence of the injury" means the date that the employee
10 knew or should have known that the injury was work-related.

11 Sec. 4. Section 85.26, subsection 1, Code 2017, is amended
12 to read as follows:

13 1. An original proceeding for benefits under [this chapter](#)
14 or [chapter 85A, 85B, or 86](#), shall not be maintained in any
15 contested case unless the proceeding is commenced within two
16 years from the date of the occurrence of the injury for which
17 benefits are claimed or, if weekly compensation benefits are
18 paid under [section 86.13](#), within three years from the date of
19 the last payment of weekly compensation benefits. For the
20 purposes of this section, "date of the occurrence of the injury"
21 means the date that the employee knew or should have known that
22 the injury was work-related.

23 Sec. 5. Section 85.33, subsection 3, Code 2017, is amended
24 to read as follows:

25 3. a. If an employee is temporarily, partially disabled
26 and the employer for whom the employee was working at the time
27 of injury offers to the employee suitable work consistent
28 with the employee's disability the employee shall accept the
29 suitable work, and be compensated with temporary partial
30 benefits. If the employer offers the employee suitable work
31 and the employee refuses to accept the suitable work with
32 the same offered by the employer, the employee shall not be
33 compensated with temporary partial, temporary total, or healing
34 period benefits during the period of the refusal. Work offered
35 at the employer's principal place of business or established

1 place of operation where the employee has previously worked is
2 presumed to be geographically suitable for an employee whose
3 duties involve travel away from the employer's principal place
4 of business or established place of operation more than fifty
5 percent of the time. If suitable work is not offered by the
6 employer for whom the employee was working at the time of the
7 injury and the employee who is temporarily partially disabled
8 elects to perform work with a different employer, the employee
9 shall be compensated with temporary partial benefits.

10 b. The employer shall communicate an offer of temporary
11 work to the employee in writing, including details of lodging,
12 meals, and transportation, and shall communicate to the
13 employee that if the employee refuses the offer of temporary
14 work, the employee shall communicate the refusal and the reason
15 for the refusal to the employer in writing and that during the
16 period of the refusal the employee will not be compensated with
17 temporary partial, temporary total, or healing period benefits,
18 unless the work refused is not suitable. If the employee
19 refuses the offer of temporary work on the grounds that the
20 work is not suitable, the employee shall communicate the
21 refusal, along with the reason for the refusal, to the employer
22 in writing at the time the offer of work is refused. Failure to
23 communicate the reason for the refusal in this manner precludes
24 the employee from raising suitability of the work as the reason
25 for the refusal until such time as the reason for the refusal
26 is communicated in writing to the employer.

27 Sec. 6. Section 85.34, subsection 2, unnumbered paragraph
28 1, Code 2017, is amended to read as follows:

29 Compensation for permanent partial disability shall begin at
30 ~~the termination of the healing period provided in subsection 1~~
31 when it is medically indicated that maximum medical improvement
32 from the injury has been reached and that the extent of loss or
33 percentage of permanent impairment can be determined by use of
34 the guides to the evaluation of permanent impairment, published
35 by the American medical association, as adopted by the workers'

1 compensation commissioner by rule pursuant to chapter 17A. The
2 compensation shall be in addition to the benefits provided by
3 sections 85.27 and 85.28. The compensation shall be based
4 upon the extent of the disability and upon the basis of eighty
5 percent per week of the employee's average spendable weekly
6 earnings, but not more than a weekly benefit amount, rounded to
7 the nearest dollar, equal to one hundred eighty-four percent of
8 the statewide average weekly wage paid employees as determined
9 by the department of workforce development under section 96.19,
10 subsection 36, and in effect at the time of the injury. The
11 minimum weekly benefit amount shall be equal to the weekly
12 benefit amount of a person whose gross weekly earnings are
13 thirty-five percent of the statewide average weekly wage. For
14 all cases of permanent partial disability compensation shall
15 be paid as follows:

16 Sec. 7. Section 85.34, subsection 2, Code 2017, is amended
17 by adding the following new paragraph:

18 NEW PARAGRAPH. *On.* For the loss of a shoulder, weekly
19 compensation during four hundred weeks.

20 Sec. 8. Section 85.34, subsection 2, paragraph u, Code 2017,
21 is amended to read as follows:

22 *u.* In all cases of permanent partial disability other than
23 those hereinabove described or referred to in paragraphs "a"
24 through "t" hereof, the compensation shall be paid during
25 the number of weeks in relation to five hundred weeks as the
26 reduction in the employee's earning capacity caused by the
27 disability bears in relation to the earning capacity that the
28 employee possessed when the injury occurred. A determination
29 of the reduction in the employee's earning capacity caused
30 by the disability shall take into account the permanent
31 partial disability of the employee and the number of years in
32 the future it was reasonably anticipated that the employee
33 would work at the time of the injury. If an employee who
34 is eligible for compensation under this paragraph returns to
35 work or is offered work for which the employee receives or

1 would receive the same or greater salary, wages, or earnings
 2 than the employee received at the time of the injury, the
 3 employee shall be compensated based only upon the employee's
 4 functional impairment resulting from the injury, and not in
 5 relation to the employee's earning capacity. Notwithstanding
 6 section 85.26, subsection 2, if an employee who is eligible
 7 for compensation under this paragraph returns to work with the
 8 same employer and is compensated based only upon the employee's
 9 functional impairment resulting from the injury as provided
 10 in this paragraph and is terminated from employment by that
 11 employer, the award or agreement for settlement for benefits
 12 under this chapter shall be reviewed upon commencement of
 13 reopening proceedings by the employee for a determination of
 14 any reduction in the employee's earning capacity caused by the
 15 employee's permanent partial disability.

16 Sec. 9. Section 85.34, subsection 2, Code 2017, is amended
 17 by adding the following new paragraphs:

18 NEW PARAGRAPH. w. In all cases of permanent partial
 19 disability described in paragraphs "a" through "t", or paragraph
 20 "u" when determining functional disability and not loss of
 21 earning capacity, the extent of loss or percentage of permanent
 22 impairment shall be determined solely by utilizing the guides
 23 to the evaluation of permanent impairment, published by the
 24 American medical association, as adopted by the workers'
 25 compensation commissioner by rule pursuant to chapter 17A.
 26 Lay testimony or agency expertise shall not be utilized in
 27 determining loss or percentage of permanent impairment pursuant
 28 to paragraphs "a" through "t", or paragraph "u" when determining
 29 functional disability and not loss of earning capacity.

30 NEW PARAGRAPH. x. Compensation for permanent partial
 31 disability for an injury shall terminate on the date when
 32 compensation for permanent total disability for any injury
 33 begins. An employee shall not receive compensation for
 34 permanent partial disability if the employee is receiving
 35 compensation for permanent total disability.

1 Sec. 10. Section 85.34, subsection 3, Code 2017, is amended
2 to read as follows:

3 3. *Permanent total disability.*

4 a. Compensation for an injury causing permanent total
5 disability shall be upon the basis of eighty percent per week
6 of the employee's average spendable weekly earnings, but not
7 more than a weekly benefit amount, rounded to the nearest
8 dollar, equal to two hundred percent of the statewide average
9 weekly wage paid employees as determined by the department
10 of workforce development under [section 96.19, subsection 36](#),
11 and in effect at the time of the injury. The minimum weekly
12 benefit amount is equal to the weekly benefit amount of a
13 person whose gross weekly earnings are thirty-five percent of
14 the statewide average weekly wage. The weekly compensation is
15 payable ~~during the period of the employee's disability until~~
16 the employee is no longer permanently and totally disabled.

17 b. Such compensation shall be in addition to the benefits
18 provided in [sections 85.27 and 85.28](#). No compensation shall
19 be payable under [this subsection](#) for any injury for which
20 compensation is payable under [subsection 2 of this section](#).
21 In the event compensation has been paid to any person under
22 any provision of [this chapter, chapter 85A or chapter 85B](#) for
23 ~~the same~~ an injury producing a ~~total~~ permanent disability, any
24 such amounts so paid shall be deducted from the total amount
25 of compensation payable for ~~such~~ permanent total disability.
26 An employee shall not receive compensation for permanent
27 partial disability if the employee is receiving compensation
28 for permanent total disability.

29 Sec. 11. Section 85.34, subsection 3, Code 2017, is amended
30 by adding the following new paragraphs:

31 NEW PARAGRAPH. c. An employee forfeits the employee's
32 weekly compensation for a permanent total disability under this
33 subsection for a week in which the employee is receiving a
34 payment equal to or greater than fifty percent of the statewide
35 average weekly wage from any of the following sources:

1 (1) Gross earnings from any employer.

2 (2) Payment for current services from any source.

3 NEW PARAGRAPH. *d.* An employee is not entitled to
4 compensation for a permanent total disability under this
5 subsection while the employee is receiving unemployment
6 compensation under chapter 96.

7 Sec. 12. Section 85.34, subsections 4 and 5, Code 2017, are
8 amended to read as follows:

9 4. *Credits for excess payments.* If an employee is paid
10 weekly compensation benefits for temporary total disability
11 under [section 85.33, subsection 1](#), for a healing period
12 under [section 85.34, subsection 1](#), or for temporary partial
13 disability under [section 85.33, subsection 2](#), in excess of
14 that required by [this chapter](#) and [chapters 85A, 85B, and 86](#),
15 the excess paid by the employer shall be credited against the
16 liability of the employer for ~~permanent partial disability~~
17 ~~under [section 85.34, subsection 2](#)~~ any future weekly benefits
18 due for an injury to that employee, provided that the employer
19 or the employer's representative has acted in good faith in
20 determining and notifying an employee when the temporary total
21 disability, healing period, or temporary partial disability
22 benefits are terminated.

23 5. *Recovery of employee overpayment.* If an employee is paid
24 any weekly benefits in excess of that required by [this chapter](#)
25 and [chapters 85A, 85B, and 86](#), the excess paid by the employer
26 shall be credited against the liability of the employer for
27 any future weekly benefits due pursuant to [subsection 2](#), for
28 a any current or subsequent injury to the same employee. An
29 ~~overpayment can be established only when the overpayment is~~
30 ~~recognized in a settlement agreement approved under section~~
31 ~~86.13, pursuant to final agency action in a contested case~~
32 ~~which was commenced within three years from the date that~~
33 ~~weekly benefits were last paid for the claim for which the~~
34 ~~benefits were overpaid, or pursuant to final agency action~~
35 ~~in a contested case for a prior injury to the same employee.~~

~~1 The credit shall remain available for eight years after the
2 date the overpayment was established. If an overpayment
3 is established pursuant to this subsection, the employee
4 and employer may enter into a written settlement agreement
5 providing for the repayment by the employee of the overpayment.
6 The agreement is subject to the approval of the workers'
7 compensation commissioner. The employer shall not take any
8 adverse action against the employee for failing to agree to
9 such a written settlement agreement.~~

10 Sec. 13. Section 85.34, subsection 7, paragraph a, Code
11 2017, is amended to read as follows:

12 ~~a.~~ An employer is fully liable for compensating all only
13 that portion of an employee's disability that arises out of and
14 in the course of the employee's employment with the employer
15 and that relates to the injury that serves as the basis for
16 the employee's claim for compensation under this chapter,
17 or chapter 85A, 85B, or 86. An employer is not liable for
18 compensating an employee's preexisting disability that arose
19 out of and in the course of employment from a prior injury with
20 the employer, to the extent that the employee's preexisting
21 disability has already been compensated under this chapter,
22 or chapter 85A, 85B, or 86. An employer is not liable for
23 compensating an employee's preexisting disability that arose
24 out of and in the course of employment with a different
25 employer or from causes unrelated to employment.

26 Sec. 14. Section 85.34, subsection 7, paragraphs b and c,
27 Code 2017, are amended by striking the paragraphs.

28 Sec. 15. Section 85.39, Code 2017, is amended to read as
29 follows:

30 **85.39 Examination of injured employees.**

31 1. After an injury, the employee, if requested by the
32 employer, shall submit for examination at some reasonable
33 time and place and as often as reasonably requested, to a
34 physician or physicians authorized to practice under the laws
35 of this state or another state, without cost to the employee;

1 but if the employee requests, the employee, at the employee's
 2 own cost, is entitled to have a physician or physicians
 3 of the employee's own selection present to participate in
 4 the examination. If an employee is required to leave work
 5 for which the employee is being paid wages to attend the
 6 requested examination, the employee shall be compensated at
 7 the employee's regular rate for the time the employee is
 8 required to leave work, and the employee shall be furnished
 9 transportation to and from the place of examination, or the
 10 employer may elect to pay the employee the reasonable cost of
 11 the transportation. The refusal of the employee to submit to
 12 the examination shall ~~suspend~~ forfeit the employee's right to
 13 any compensation for the period of the refusal. Compensation
 14 shall not be payable for the period of ~~suspension~~ refusal.

15 2. If an evaluation of permanent disability has been made by
 16 a physician retained by the employer and the employee believes
 17 this evaluation to be too low, the employee shall, upon
 18 application to the commissioner and upon delivery of a copy of
 19 the application to the employer and its insurance carrier, be
 20 reimbursed by the employer the reasonable fee for a subsequent
 21 examination by a physician of the employee's own choice, and
 22 reasonably necessary transportation expenses incurred for the
 23 examination. The physician chosen by the employee has the
 24 right to confer with and obtain from the employer-retained
 25 physician sufficient history of the injury to make a proper
 26 examination. An employer is only liable to reimburse an
 27 employee for the cost of an examination conducted pursuant to
 28 this subsection if the injury for which the employee is being
 29 examined is determined to be compensable under this chapter or
 30 chapter 85A or 85B. An employer is not liable for the cost of
 31 such an examination if the injury for which the employee is
 32 being examined is determined not to be a compensable injury. A
 33 determination of the reasonableness of a fee for an examination
 34 made pursuant to this subsection, shall be based on the typical
 35 fee charged by a medical provider to perform an impairment

1 rating in the local area where the examination is conducted.

2 Sec. 16. Section 85.45, subsection 1, unnumbered paragraph
3 1, Code 2017, is amended to read as follows:

4 Future payments of compensation may be commuted to a present
5 worth lump sum payment only upon application of a party to
6 the commissioner and upon written consent of all parties to
7 the proposed commutation or partial commutation, and on the
8 following conditions:

9 Sec. 17. Section 85.45, Code 2017, is amended by adding the
10 following new subsection:

11 NEW SUBSECTION. 3. The parties to any commutation or
12 partial commutation of future payments agreed to and ordered
13 pursuant to this section may agree that the employee has the
14 right to benefits pursuant to section 85.27 under such terms
15 and conditions as agreed to by the parties, for a specified
16 period of time after the commutation or partial commutation
17 agreement has been ordered by the workers' compensation
18 commissioner. During that specified period of time, the
19 commissioner shall have jurisdiction of the commutation or
20 partial commutation agreement for the purpose of adjudicating
21 the employee's entitlement to benefits provided for in section
22 85.27 as provided in the agreement.

23 Sec. 18. Section 85.70, Code 2017, is amended to read as
24 follows:

25 **85.70 Additional payment for attendance — rehabilitation and**
26 **training — new career vocational training and education program.**

27 1. An employee who has sustained an injury resulting in
28 permanent partial or permanent total disability, for which
29 compensation is payable under this chapter other than an
30 injury to the shoulder compensable pursuant to section 85.34,
31 subsection 2, paragraph "On", and who cannot return to gainful
32 employment because of such disability, shall upon application
33 to and approval by the workers' compensation commissioner
34 be entitled to a one hundred dollar weekly payment from the
35 employer in addition to any other benefit payments, during each

1 full week in which the employee is actively participating in a
 2 vocational rehabilitation program recognized by the vocational
 3 rehabilitation services division of the department of
 4 education. The workers' compensation commissioner's approval
 5 of such application for payment may be given only after a
 6 careful evaluation of available facts, and after consultation
 7 with the employer or the employer's representative.
 8 Judicial review of the decision of the workers' compensation
 9 commissioner may be obtained in accordance with the terms of
 10 the Iowa administrative procedure Act, [chapter 17A](#), and in
 11 section 86.26. Such additional benefit payment shall be paid
 12 for a period not to exceed thirteen consecutive weeks except
 13 that the workers' compensation commissioner may extend the
 14 period of payment not to exceed an additional thirteen weeks if
 15 the circumstances indicate that a continuation of training will
 16 in fact accomplish rehabilitation.

17 2. a. An employee who has sustained an injury to
 18 the shoulder resulting in permanent partial disability
 19 for which compensation is payable under section 85.34,
 20 subsection 2, paragraph "On", and who cannot return to gainful
 21 employment because of such disability, shall be evaluated
 22 by the department of workforce development regarding career
 23 opportunities in specific fields aligning with postsecondary
 24 career and technical education programs that provide
 25 instruction in the areas of agriculture, family and consumer
 26 sciences, health occupations, business, industrial technology,
 27 and marketing, that allow for accommodation of the employee's
 28 disability and to determine if the employee would benefit
 29 from participation in the new career vocational training and
 30 education program offered through an area community college,
 31 that will allow the employee to return to the workforce.

32 b. Upon completion of the evaluation and a determination
 33 by the department that the employee is a candidate for the new
 34 career vocational training and education program, the employee
 35 shall be referred by the department to the community college

1 that is in the closest proximity to the employee's residence,
2 or upon agreement of the department and the employee, to
3 the community college that offers a vocational training and
4 education program that best meets the employee's needs, for
5 enrollment in the new career vocational training and education
6 program at the community college for the purpose of providing
7 the employee with occupational training that will result in, at
8 a minimum, the awarding of an associate degree or completion
9 of a certificate program and will enable the employee to
10 return to the workforce. If an employee does not enroll in
11 the new career vocational training and education program at
12 the community college to which the employee has been referred
13 by the department within six months after the referral, the
14 employee is no longer eligible to participate in the program.

15 c. The employee shall be entitled to financial support from
16 the employer or the employer's insurer for participation in
17 the new career vocational and education training program in
18 a total amount not to exceed fifteen thousand dollars to be
19 used for the payment of tuition and fees and the purchase of
20 required supplies. The community college in which an employee
21 is enrolled pursuant to the program shall bill the employer
22 or the employer's insurer for the employee's tuition and fees
23 each semester, or the equivalent, that the employee is enrolled
24 in the program. The employer or the employer's insurer shall
25 also pay for the purchase of supplies required by the employee
26 to participate in the program, upon receipt of documentation
27 from the employee detailing the cost of the supplies and the
28 necessity for purchasing the supplies. Such documentation may
29 include written course requirements or other documentation from
30 the community college or the course instructor regarding the
31 necessity for the purchase of certain supplies.

32 d. The employer or the employer's insurer may request a
33 periodic status report each semester from the community college
34 documenting the employee's attendance and participation in
35 and completion of the education and training program. If an

1 employee does not meet the attendance requirements of the
2 community college at which the employee is enrolled or does not
3 maintain a passing grade in each course in which the employee
4 is enrolled each semester, or the equivalent, the employee's
5 eligibility for continued participation in the program is
6 terminated.

7 e. The community college shall also provide the employer
8 or the employer's insurer with documentation detailing that
9 the receipt of funds by the community college pursuant to this
10 subsection is for the payment of tuition and fees and the
11 purchase of required supplies.

12 f. Beginning on or before December 1, 2018, the department
13 of workforce development, in cooperation with the department
14 of education, the insurance division of the department of
15 commerce, and all community colleges that are participating
16 in the new career and vocational training and education
17 program, shall prepare an annual report for submission to the
18 general assembly that provides information about the status
19 of the program including but not limited to the utilization
20 of and participants in the program, program completion rates,
21 employment rates after completion of the program and the types
22 of employment obtained by the program participants, and the
23 effects of the program on workers' compensation premium rates.

24 Sec. 19. Section 85.71, subsection 1, paragraph a, Code
25 2017, is amended to read as follows:

26 a. The employer has a place of business in this state and
27 the employee regularly works at or from that place of business,
28 ~~or the employer has a place of business in this state and the~~
29 ~~employee is domiciled in this state.~~

30 Sec. 20. Section 86.26, Code 2017, is amended to read as
31 follows:

32 **86.26 Judicial review.**

33 1. Judicial review of decisions or orders of the workers'
34 compensation commissioner may be sought in accordance
35 with [chapter 17A](#). Notwithstanding [chapter 17A](#), the Iowa

1 administrative procedure Act, petitions for judicial review
2 may be filed in the district court of the county in which the
3 hearing under [section 86.17](#) was held, the workers' compensation
4 commissioner shall transmit to the reviewing court the original
5 or a certified copy of the entire record of the contested case
6 which is the subject of the petition within thirty days after
7 receiving written notice from the party filing the petition
8 that a petition for judicial review has been filed, and an
9 application for stay of agency action during the pendency of
10 judicial review shall not be filed in the division of workers'
11 compensation of the department of workforce development
12 but shall be filed with the district court. Such a review
13 proceeding shall be accorded priority over other matters
14 pending before the district court.

15 2. Notwithstanding [section 17A.19](#), subsection 5, a timely
16 petition for judicial review filed pursuant to this section
17 shall stay execution or enforcement of a decision or order of
18 the workers' compensation commissioner if the party seeking
19 judicial review posts a bond securing any compensation awarded
20 pursuant to the decision or order with the district court
21 within thirty days of filing the petition, in a reasonable
22 amount as fixed and approved by the court. Unless either the
23 party posting the bond files an objection with the court,
24 within twenty days from the date that the bond is fixed and
25 approved by the court, that the amount of the bond is not
26 reasonable, or the party whose interests are protected by the
27 bond files an objection with the court, within twenty days from
28 the date that the amount of the bond is fixed and approved by
29 the court, that the amount of the bond is not reasonable or
30 adequate, the amount of the bond shall be deemed reasonable and
31 adequate. If, upon objection, the district court orders the
32 amount of the bond posted to be modified, the party seeking
33 judicial review shall repost the bond in the amount ordered,
34 within twenty days of the date of the order modifying the bond,
35 in order to continue the stay of execution or enforcement

1 of the decision or order of the workers' compensation
2 commissioner.

3 Sec. 21. Section 86.39, Code 2017, is amended to read as
4 follows:

5 **86.39 Fees — approval.**

6 1. All fees or claims for legal, medical, hospital, and
7 burial services rendered under **this chapter** and **chapters 85,**
8 **85A, 85B,** and **87** are subject to the approval of the workers'
9 compensation commissioner. For services rendered in the
10 district court and appellate courts, the attorney fee is
11 subject to the approval of a judge of the district court.

12 2. An attorney shall not recover fees for legal services
13 based on the amount of compensation voluntarily paid or
14 agreed to be paid to an employee for temporary or permanent
15 disability under this chapter, or chapter 85, 85A, 85B, or
16 87. An attorney shall only recover a fee based on the amount
17 of compensation that the attorney demonstrates would not have
18 been paid to the employee but for the efforts of the attorney.
19 Any disputes over the recovery of attorney fees under this
20 subsection shall be resolved by the workers' compensation
21 commissioner.

22 Sec. 22. Section 86.42, Code 2017, is amended to read as
23 follows:

24 **86.42 Judgment by district court on award.**

25 Any party in interest may present a file-stamped copy
26 of an order or decision of the commissioner, from which a
27 timely petition for judicial review has not been filed or if
28 judicial review has been filed, which has not had execution or
29 enforcement stayed as provided in section 17A.19, subsection
30 5, or section 86.26, subsection 2, or an order or decision
31 of a deputy commissioner from which a timely appeal has not
32 been taken within the agency and which has become final by
33 the passage of time as provided by rule and **section 17A.15,**
34 or an agreement for settlement approved by the commissioner,
35 and all papers in connection therewith, to the district court

1 where judicial review of the agency action may be commenced.
2 The court shall render a decree or judgment and cause the
3 clerk to notify the parties. The decree or judgment, in the
4 absence of a petition for judicial review or if judicial review
5 has been commenced, in the absence of a stay of execution
6 or enforcement of the decision or order of the workers'
7 compensation commissioner as provided in section 17A.19,
8 subsection 5, or section 86.26, subsection 2, or in the absence
9 of an act of any party which prevents a decision of a deputy
10 workers' compensation commissioner from becoming final, has the
11 same effect and in all proceedings in relation thereto is the
12 same as though rendered in a suit duly heard and determined by
13 the court.

14 Sec. 23. Section 535.3, subsection 1, Code 2017, is amended
15 to read as follows:

16 1. a. Interest shall be allowed on all money due on
17 judgments and decrees of courts at a rate calculated according
18 to section 668.13, ~~except for interest due pursuant to section~~
19 ~~85.30 for which the rate shall be ten percent per year.~~

20 b. Notwithstanding paragraph "a", interest due pursuant
21 to section 85.30 shall accrue from the date each compensation
22 payment is due at an annual rate equal to the one-year treasury
23 constant maturity published by the federal reserve in the most
24 recent H15 report settled as of the date of injury, plus two
25 percent.

26 Sec. 24. APPLICABILITY.

27 1. The sections of this Act amending sections 85.16, 85.18,
28 85.23, 85.26, 85.33, 85.34, 85.39, 85.71, 86.26, 86.39, and
29 86.42 apply to injuries occurring on or after the effective
30 date of this Act.

31 2. The sections of this Act amending section 85.45 apply to
32 commutations for which applications are filed on or after the
33 effective date of this Act.