

CHAPTER 1066

**EMPLOYMENT SERVICES – WORKERS’ COMPENSATION
AND UNEMPLOYMENT COMPENSATION**

S.F. 2261

AN ACT relating to employment services by eliminating certain unemployment benefit charges, requiring participation in reemployment services for certain individuals receiving unemployment benefits, making the voluntary shared work program permanent, and making changes to the workers’ compensation laws.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 87.1, unnumbered paragraph 1, Code 1993, is amended to read as follows:

Every employer subject to the provisions of this and chapters 85, 85A, 85B, and 86, unless relieved therefrom as hereinafter provided, shall insure the employer’s liability thereunder in some corporation, association, or organization approved by the commissioner of insurance.

Sec. 2. Section 87.2, Code 1993, is amended to read as follows:

87.2 NOTICE OF FAILURE TO INSURE.

~~Any~~ An employer who fails to insure the employer’s liability as required ~~herein~~ by this chapter shall ~~keep~~ post a sign of sufficient size and so placed as to be easily seen by the employer’s employees in the immediate vicinity where working, which sign shall read as follows:

NOTICE TO EMPLOYEES

You are hereby notified that the undersigned employer has failed to insure the employer’s liability to pay compensation as required by law, and that because of such failure the employer is liable to the employer’s employees in damages for personal injuries sustained by the employer’s employees ~~in the same manner and to the same extent as though the employer had legally exercised the employer’s right to reject the provisions relating to compensation.~~

(Signed)

~~Any~~ An employer coming under the provisions of this and chapters 85, 85A, 85B, and 86 who fails to comply with this section or to post and keep the above notice in the manner and form ~~herein~~ required, shall be guilty of a simple misdemeanor.

Sec. 3. **NEW SECTION. 87.14A INSURANCE OR BOND REQUIRED.**

An employer subject to this chapter and chapters 85, 85A, 85B, and 86 shall not engage in business without first obtaining insurance covering compensation benefits or obtaining relief from insurance as provided in this chapter or furnishing a bond pursuant to section 87.16. A person who willfully and knowingly violates this section is guilty of a class “D” felony.

Sec. 4. Section 87.15, Code 1993, is amended by striking the section and inserting in lieu thereof the following:

87.15 INJUNCTIONS.

If a violation of section 87.14A has been committed or there is reason to believe a violation of section 87.14A is about to be committed, the attorney general or the county attorney from the county in which a violation has occurred or is about to occur shall, or any person may, bring an action to enjoin such person from committing the violation and the court or judge before whom the action is brought shall, if the facts warrant, issue a temporary or permanent writ of injunction without bond.

Sec. 5. Section 87.16, Code 1993, is amended to read as follows:

87.16 BOND IN LIEU OF INSURANCE.

~~Any~~ An employer who has more than five persons engaged in hazardous employment, ~~except the employments recited in section 85.1, and subject to this chapter and chapters 85, 85A, 85B, and 86 who has failed, omitted, and neglected to secure the payment of compensation by carrying insurance or is not relieved therefrom as by the statutes in such cases provided from carrying insurance as provided in this chapter,~~ shall furnish a bond approved by the industrial

commissioner, as to form and security, conditioned to secure and pay workers' compensation or damages in accordance with the law; such. The bond shall be in such an amount as may be fixed by the industrial commissioner having due regard for the number of employees and considering the industrial experience in such the industry as a class.

Sec. 6. Section 96.4, Code 1993, is amended by adding the following new subsection:

NEW SUBSECTION. 7. The individual participates in reemployment services as directed by the division pursuant to a profiling system, established by the division, which identifies individuals who are likely to exhaust benefits and be in need of reemployment services.

Sec. 7. Section 96.40, subsection 11, Code 1993, is amended by striking the subsection.

Sec. 8. Sections 87.12 and 87.14, Code 1993, are repealed.

Sec. 9. 1992 Iowa Acts, chapter 1056, section 3, is repealed.

Sec. 10. **RELIEF FROM DISASTER-RELATED UNEMPLOYMENT BENEFIT CHARGES TO EMPLOYERS.** Notwithstanding section 96.7, subsection 2, an account of an employer shall not be charged with benefits paid to an individual for unemployment that is directly caused by the presidentially declared disasters, numbered 986 and 996, for benefits paid from April 13, 1993, through January 8, 1994, for the purpose of calculating the employer's contribution rate pursuant to criteria established by the division of job service of the department of employment services. This relief from charges for benefits paid from April 13, 1993, through January 8, 1994, does not apply to employers who are required or who have elected to reimburse the fund in lieu of paying contributions or to employers otherwise ineligible for relief under this section pursuant to criteria established by the division of job service.

Approved April 13, 1994

CHAPTER 1067

UNDERGROUND STORAGE TANK LENDER LIABILITY

H.F. 2118

AN ACT relating to underground storage tank lender liability.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 455B.471, subsection 6, paragraph b, Code Supplement 1993, is amended to read as follows:

b. "**Owner**" To the extent consistent with the federal Resource Conservation and Recovery Act, as amended to January 1, 1994, 42 U.S.C. § 6901 et seq., "owner" does not include a person who holds indicia of ownership in the underground storage tank or the tank site property if all of the following apply:

(1) The person holds indicia of ownership primarily to protect that person's security interest in the underground storage tank or tank site property, where such indicia of ownership was acquired either for the purpose of securing payment of a loan or other indebtedness, or in the course of protecting the security interest. The term "primarily to protect that person's security interest" includes but is not limited to ownership interests acquired as a consequence of that person exercising rights as a security interest holder in the underground storage tank or tank site property, where such exercise is necessary or appropriate to protect the security interest, to preserve the value of the collateral, or to recover a loan or indebtedness secured by such interest. The person holding indicia of ownership in the underground storage tank or tank site property and who acquires title or a right to title to such underground storage