

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

68-0157 (9-06) - 3091078 - EI

MARK FADALE
Claimant

APPEAL NO. 09A-UI-04656-MT

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**Original Claim: 03/01/09
Claimant: Appellant (4)**

Section 96.3-7 – Recovery of Overpayment of Benefits

STATEMENT OF THE CASE:

Claimant appealed a representative's decision dated March 17, 2009, reference 03, that concluded claimant was overpaid unemployment insurance benefits in the amount of \$39.00 as a result of a change in dependants. A telephone hearing was scheduled for and held on April 22, 2009. Claimant did participate.

ISSUE:

The issue is whether claimant is overpaid unemployment insurance benefits.

FINDINGS OF FACT:

The administrative law judge, having considered all of the evidence in the record, finds that: The overpayment issue in this case was created by a change in the number of dependents from 2 to 1. This reduced the weekly benefit amount from \$389.00 down to \$375.00. The reduction is \$14.00 per week. The overpayment included \$25.00, which was economic stimulus money. The decision does not explain that economic stimulus money was overpaid. The decision only indicates a change in the weekly benefit amount. Claimant is overpaid \$14.00 for the one week ending March 7, 2009.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.3-7, as amended in 2008, provides:

7. Recovery of overpayment of benefits.
 - a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

b. (1) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5. However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment. The employer shall not be charged with the benefits.

(2) An accounting firm, agent, unemployment insurance accounting firm, or other entity that represents an employer in unemployment claim matters and demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, as determined and defined by rule by the department, shall be denied permission by the department to represent any employers in unemployment insurance matters. This subparagraph does not apply to attorneys or counselors admitted to practice in the courts of this state pursuant to section 602.10101.

The administrative law judge concludes that claimant is overpaid unemployment insurance benefits in the amount of \$14.00 for the one week March 7, 2009, pursuant to Iowa Code section 96.3-7, as the disqualification decision that created the overpayment decision has now been modified.

DECISION:

The decision of the representative dated March 17, 2009, reference 03, is modified. Claimant is overpaid unemployment insurance benefits in the amount of \$14.00 for the one week ending March 7, 2009, because his weekly benefit rate was reduced by \$14.00. There is no showing or explanation in this decision why the economic stimulus money of \$25.00 paid for that week is overpaid. A decision must be issued explaining why claimant is not entitled to economic stimulus money to comply with due process. As such, the overpayment is modified down to \$14.00 based on a reduction in the number of dependents and weekly benefit amount.

Marlon Mormann
Administrative Law Judge

Decision Dated and Mailed

mdm/kjw