

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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

TINISHA CALLAHAN
Claimant

APPEAL NO: 19A-UI-08794-JE-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

OC: 08/18/19
Claimant: Appellant (1)

Section 96.3-7 – Recovery of Benefit Overpayment
42 USC 503(g)1 – Overpayment from Another State
20 CFR 616.80 – Recovery of Benefit Overpayment from Another State

STATEMENT OF THE CASE:

The claimant filed a timely appeal from the November 1, 2019, reference 02, decision that determined she was overpaid benefits in the amount of \$3,440.00 in Maryland in 2013. After due notice was issued, a hearing was held by telephone conference call before Administrative Law Judge Julie Elder on November 25, 2019. The claimant participated in the hearing.

ISSUE:

The issue is whether the claimant's Iowa unemployment insurance benefits may be withheld to repay her overpayment of benefits in Maryland.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant received \$3,440.00 in unemployment insurance benefits in Maryland which was determined to be an overpayment decision in Maryland April 11, 2013.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.3(7) provides, in pertinent part:

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)(a) 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.

42 USC 503(g)1

(g) Recovery of Unemployment Benefit Payments

(1)

A State shall deduct from unemployment benefits otherwise payable to an individual an amount equal to any overpayment made to such individual under an unemployment benefit program of the United States or of any other State, and not previously recovered. The amount so deducted shall be paid to the jurisdiction under whose program such overpayment was made. Any such deduction shall be made only in accordance with the same procedures relating to notice and opportunity for a hearing as apply to the recovery of overpayments of regular unemployment compensation paid by such State.

(2) Any State may enter into an agreement with the Secretary of Labor under which—

(A)

the State agrees to recover from unemployment benefits otherwise payable to an individual by such State any overpayments made under an unemployment benefit program of the United States to such individual and not previously recovered, in accordance with paragraph (1), and to pay such amounts recovered to the United States for credit to the appropriate account, and

(B)

the United States agrees to allow the State to recover from unemployment benefits otherwise payable to an individual under an unemployment benefit program of the United States any overpayments made by such State to such individual under a State unemployment benefit program and not previously recovered, in accordance with the same procedures as apply under paragraph (1).

(3)

For purposes of this subsection, “unemployment benefits” means unemployment compensation, trade adjustment allowances, Federal additional compensation, and other unemployment assistance.

The administrative law judge concludes that Maryland determined the claimant was overpaid unemployment insurance benefits in the amount of \$3,440.00 in a decision dated April 11, 2013. According to Federal law, Iowa is required to withhold the claimant's Iowa unemployment insurance benefits to repay the Maryland overpayment. Accordingly, Iowa does have the authority to withhold the claimant's Iowa unemployment insurance benefits to repay her overpayment in Maryland.

DECISION:

The November 1, 2019, reference 02, decision is affirmed. Iowa can withhold the claimant's Iowa unemployment benefits to repay her overpayment of \$3,440.00 in Maryland.

Julie Elder
Administrative Law Judge

Decision Dated and Mailed

je/scn