

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**KATHLEEN M LUENSMANN**  
Claimant

**APPEAL NO: 06A-UI-10236-DT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE  
DEVELOPMENT DEPARTMENT**

**OC: 06/11/06 R: 01  
Claimant: Appellant (1)**

Section 96.3-7 - Recovery of Overpayment of Benefits

**STATEMENT OF THE CASE:**

Kathleen M. Luensmann (claimant) appealed a representative's October 16, 2006 decision (reference 02) that concluded she had been overpaid unemployment insurance benefits. After a hearing notice was mailed to the claimant's last-known address of record, a telephone hearing was held on November 6, 2006. The claimant participated in the hearing. This appeal was consolidated for hearing with one related appeal, 06A-UI-10235-DT. Based on the evidence, the arguments of the claimant, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision affirming the representative's decision that the claimant was overpaid unemployment insurance benefits.

**ISSUE:**

Was the claimant is overpaid unemployment insurance benefits of \$3,646.00?

**FINDINGS OF FACT:**

A representative issued a decision dated October 13, 2006 (reference 01) that concluded the claimant was disqualified from receiving benefits in connection with her employment with the City of Webster City (employer). The overpayment decision was issued in this case as a result of that disqualification decision. As determined in the concurrently issued decision in appeal 06A-UI-10235-DT, that disqualification decision has now been affirmed.

The claimant established a claim for unemployment insurance benefits effective June 11, 2006. The claimant has received unemployment insurance benefits after date of the disqualification in the amount of \$2,646.00.

**REASONING AND CONCLUSIONS OF LAW:**

An underlying disqualification can result in an overpayment of unemployment insurance benefits.

Iowa Code § 96.3-7 provides:

7. Recovery of overpayment of benefits. 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.

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.

The decision causing the disqualification has now been affirmed. The administrative law judge concludes that the claimant is overpaid benefits of \$3,646.00 pursuant to Iowa Code § 96.3-7 due to the disqualification decision issued on October 13, 2006 which has now been affirmed. Even though those benefits were received in good faith, the overpaid benefits must be recovered in accordance with the provisions of Iowa law.

**DECISION:**

The representative's October 16, 2006 decision (reference 02) is affirmed. The claimant is overpaid benefits of \$3,646.00.

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Lynette A. F. Donner  
Administrative Law Judge

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Decision Dated and Mailed

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