

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**STEPHEN HAMMOND**  
Claimant

**APPEAL NO: 12A-UI-14001-BT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE  
DEVELOPMENT DEPARTMENT**

**OC: 05/27/12  
Claimant: Appellant (4)**

Iowa Code § 96.3-7 - Recovery of Benefit Overpayment

**STATEMENT OF THE CASE:**

Stephen Hammond (claimant) appealed an unemployment insurance decision dated November 19, 2012, reference 01, which held that he was overpaid unemployment insurance benefits in the amount of \$351.00 as a result of incorrectly reporting wages. After a hearing notice was mailed to the party's last-known address of record, a telephone hearing was held on December 13, 2012. The claimant participated in the hearing. Based on the evidence, the arguments of the party and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

**ISSUE:**

The issue is whether the claimant was overpaid \$351.00 in unemployment insurance benefits for the five-week period ending July 14, 2012.

**FINDINGS OF FACT:**

The administrative law judge, having heard and considered all of the evidence in the record, finds that: The \$351.00 overpayment in this case was reportedly created by the claimant's incorrect reporting of wages for the five-week period ending July 14, 2012 but that information is inaccurate. The overpayment actually resulted from the claimant's incorrect reporting of wages for the one-week period ending November 3, 2012.

The claimant reported earnings from Halverson Construction in the amount of \$165.00 for the week ending November 3, 2012 and he was paid \$316.00 in unemployment insurance benefits. The employer reported the claimant's earnings for the same week in the amount of \$796.00. Consequently, he was overpaid \$316.00 in unemployment benefits but the overpayment was offset from benefits to which he was entitled for the two-week period ending November 24, 2012. There is no overpayment as of the date of this hearing.

**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 the claimant has been overpaid unemployment insurance benefits in the amount of \$316.00 pursuant to Iowa Code § 96.3-7 due to the incorrect reporting of wages for the week ending November 3, 2012.

**DECISION:**

The unemployment insurance decision dated November 19, 2012, reference 01, is modified in favor of the appellant. The claimant was overpaid unemployment insurance benefits in the amount of \$316.00 but that overpayment has been paid.

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Susan D. Ackerman  
Administrative Law Judge

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Decision Dated and Mailed

sda/tll