

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**TERESA M TRAUM**  
Claimant

**APPEAL NO: 10A-EUCU-00857-ST**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**IOWA WORKFORCE  
DEVELOPMENT DEPARTMENT**

**OC: 10/21/07  
Claimant: Appellant (1)**

Section 96.3-7 – Recovery of Overpayment

**STATEMENT OF THE CASE:**

The claimant appealed a department representative's September 2, 2010 decision, reference 04, that held she was overpaid benefits \$1,254.00 for 13-weeks ending July 3, 2010, because she was not ineligible for emergency unemployment compensation (EUC) benefits due to a department decision she was eligible for regular unemployment benefits in Illinois effective January 1, 2010. A telephone hearing was held on October 29, 2010. The claimant participated.

**ISSUE:**

Whether claimant is overpaid federal extension benefits (EUC).

**FINDINGS OF FACT:**

The claimant established a regular Iowa claim for benefits effective October 21, 2007. The claimant exhausted her regular benefit, (26 weeks), and she filed an EUC extended benefit claim effective September 27, 2009. The claimant claimed for and received EUC benefits totaling \$1,254.00 from January 1, 2010 through the week ending July 3.

**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 the claimant is overpaid federal extension benefits (EUC) in the amount of \$1,254.00.

The claimant does not dispute she received the benefits. The claimant contends she was given miss-advice by a department representative that caused her to believe she was eligible for EUC benefits, because she was not eligible for Illinois regular benefits effective January 1, 2010. The claimant could not get Illinois benefits, because her part-time earnings were excessive. She had a monetarily eligible claim that is the basis for denying EUC that causes the denial and leads to the 13-week overpayment from January 1, 2010 to the week ending July 3.

Even though it appears the claimant is without fault in this matter, the department overpayment recovery statute allows it seek repayment of the overpayment.

**DECISION:**

The department representative's September 2, 2010 decision, reference 04, is affirmed. The claimant is overpaid (EUC) extended benefits \$1,254.00.

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Randy L. Stephenson  
Administrative Law Judge

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Decision Dated and Mailed

rls/css