

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

ERICK E QUINLIN
Claimant

APPEAL 20A-UI-07824-AW-T
ADMINISTRATIVE LAW JUDGE
DECISION

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

OC: 04/26/20
Claimant: Appellant (1)

42 USC § 503(g)(1) – Recovery of Unemployment Benefit Payments
20 CFR 616.8(e) – Recovery of Prior Overpayments

STATEMENT OF THE CASE:

Claimant filed an appeal from the July 6, 2020 (reference 01) unemployment insurance decision that notified claimant that Iowa unemployment insurance benefits would be withheld to apply to an overpayment of benefits claimant owes to the State of Wisconsin. Claimant was properly notified of the hearing. A telephone hearing was held on August 17, 2020, at 4:00 p.m. Claimant participated. No exhibits were admitted. Official notice was taken of the administrative record.

ISSUES:

Whether claimant's Iowa unemployment insurance benefits may be withheld to repay an overpayment of benefits in another state.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant received unemployment insurance benefits from the State of Wisconsin. A determination of overpayment of benefits by the State of Wisconsin was made on November 8, 2014. That decision found the claimant was overpaid benefits in the amount of \$2,327.00, based on claimant's failure to report his wages earned when filing his weekly claims. Claimant did not appeal the overpayment determination that was issued in Wisconsin. The determination has not been reversed. The overpayment balance is currently \$2,327.00.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes Iowa is authorized to withhold Iowa unemployment insurance benefits to offset the Wisconsin benefit overpayment.

42 USC § 503(g)(1) provides in pertinent part:

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, and other unemployment assistance.

20 CFR § 616.8(e) provides:

Responsibilities of the paying State.

(e) Recovery of prior overpayments. If there is an overpayment outstanding in a transferring State and such transferring State so requests, the overpayment shall be deducted from any benefits the paying State would otherwise pay to the claimant on his/her Combined-Wage Claim except to the extent prohibited by the law of the paying State. The paying State shall transmit the amount deducted to the transferring State or credit the deduction against the transferring State's required reimbursement under this arrangement. This paragraph shall apply to overpayments only if the transferring State certifies to the paying State that the determination of overpayment was made within 3 years before the Combined-Wage Claim was filed and that repayment by the claimant is legally required and enforceable against him/her under the law of the transferring State.

The Wisconsin overpayment amount is \$2,327.00 and there is no indication that the precipitating decision has been modified or reversed. Claimant provided no evidence that the balance has been paid. As such, Iowa Workforce Development is authorized to offset \$2,327.00 in gross unemployment insurance benefits to apply to the Wisconsin unemployment insurance overpayment.

DECISION:

The July 6, 2020 (reference 01) unemployment insurance decision is affirmed. Iowa Workforce Development has legal authority to withhold \$2,327.00 in Iowa unemployment insurance benefits to offset the established Wisconsin overpayment.

A handwritten signature in cursive script, appearing to read "Adrienne C. Williamson".

Adrienne C. Williamson
Administrative Law Judge
Unemployment Insurance Appeals Bureau
Iowa Workforce Development
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August 25, 2020
Decision Dated and Mailed

acw/sam