Kim Reynolds, Governor Adam Gregg, Lt. Governor

Beth Townsend, Director

November 3, 2021

Adam Steen, Director
Department of Administrative Services
Hoover State Office Building
1305 East Walnut Street
Des Moines, Iowa 50319

Dear Director Steen:

Iowa Workforce Development (IWD) is requesting a waiver as described in Iowa Administrative Rules §17A.9A to waive the regulatory provisions of Iowa Administrative Code 11-53.11(3) prohibiting pay to FLSA exempt State of Iowa employees for hours worked in excess of 40 hours per workweek.

## **Background**

Because of the significant increase in workload due to the pandemic for IWD since March 2020, IWD has had to rely on overtime and temporary employees in order to keep pace with demand. This has required IWD to mandate additional work hours for most of our staff for an extended period of time, March 2020 through August 2021. Although IWD no longer requires mandatory overtime, we do have a continuing need for staff to work additional hours on a voluntary basis to complete unemployment insurance related activities. If Governor Reynolds does not continue to extend the current executive order that includes the waiver to this rule, IWD will no longer be able to compensate staff for hours worked over 40 hours. This change will drastically reduce the number of volunteers needed to complete the work in a timely manner or substantially adversely affect morale when ordering people to work the additional overtime without compensation.

IWD continues to work through recovery from the pandemic, and temporary workers have been dedicated to work that is a direct result of the pandemic. Service to Iowans would suffer significantly if we were required to hire and train new temporary staff, assuming we could find them in the first place. Impacts in the delay in providing these services could include delayed claims processing, extended waiting periods to receive a decision on benefits and delayed payments as well as delays for employers waiting for an employer UI tax account to be set up.

1000 E Grand Avenue • Des Moines, IA 50319 • www.iowaworkforcedevelopment.gov
 Equal Opportunity Employer/Program
 Auxiliary aids and services available upon request to individuals with disabilities.
 For deaf and hard of hearing, use Relay 711.

A proud partner of the americanjobcenter network



Page 2 Adam Steen November 3, 2021

IWD has approximately 70 exempt employees working on average 1800 hours of overtime per month that would not be compensated for overtime if the executive order is not extended, and this waiver is not approved.

IWD has sufficient federal funding available to compensate staff for the additional hours worked.

## Request

IWD is requesting a waiver of Iowa Administrative Code 11-53.11(3) through June 30, 2022. Approving this request for overtime compensation for exempt staff working on unemployment insurance activities would ensure that IWD can take the necessary steps to serve our constituents efficiently and effectively and return to pre-pandemic timelines with our support to Iowans.

We are requesting the waiver now in anticipation of it taking effect immediately on the lapse of the Executive Order and to avoid any break in service for employees working overtime.

Thank you for your consideration.

Sincerely,

Waiver granted to allow employees in the following FLSA-exempt classifications to earn hour-for-hour pay for hours worked over 40 in a pay week. This waiver only applies to employees working on the unemployment insurance program due to ongoing needs due to recovery from the COVID-19 pandemic. This waiver expires at 12:00 a.m. on July 1, 2022.

Beth Townsend Director

Class Number and Name
00827 UI Manager
00327 Field Auditor
00809 Workforce Program Coordinator
00888 Employer Liability Specialist
00734 Management Analyst 2
00736 Management Analyst 3
00791 Administrative Law Judge 2
00712 Executive Officer 3
00882 Job Insurance Quality Auditor 2
00784 Public Service Manager 1

00786 Public Service Manager 2

Adam Steen Date

Director, Department of Administrative Services