#### IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

PEG S NEMMERS Claimant

# APPEAL NO. 10A-UI-09304-LT

ADMINISTRATIVE LAW JUDGE DECISION

# SPHERION STAFFING LLC

Employer

OC: 05/09/10 Claimant: Respondent (2-R)

Iowa Code § 96.5(3)a – Work Refusal Iowa Code § 96.3(7) – Recovery of Benefit Overpayment

## STATEMENT OF THE CASE:

The employer filed a timely appeal from the June 17, 2010 (reference 02) decision that allowed benefits. After due notice was issued, a telephone conference hearing was held on August 16, 2010. Claimant participated. Employer participated through client service supervisor Roberto Campos.

### **ISSUE:**

The issue is whether claimant refused a suitable offer of work and if so, whether the refusal was for a good cause reason and whether she is overpaid benefits as a result.

### FINDINGS OF FACT:

Having heard the testimony and having reviewed the evidence in the record, the administrative law judge finds: According to the employer's history notes, Campos made claimant an offer of work in person on May 7 (the first week of unemployment) for a customer service position with flexible full-time hours at \$8.50 per hour (\$340.00 per week). She declined because she could "not deal with irate customers." He also offered her a warehouse position at \$9.00 per hour for full-time hours (\$360.00 per week). She declined because she does not do warehouse work. She had done data entry work for the employer in the past and her entire base period history consists of temporary employment. The last communication was May 7, 2010. When she applied for work she indicated she would accept assembly work. Her experience was not listed on her application but she had worked as a machine operator and ten-key data entry. Claimant's weekly benefit amount (WBA) is \$193.00. The claimant's average weekly wage is \$343.04.

The claimant has received unemployment benefits since filing a claim with an effective date of May 9, 2010.

#### **REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes claimant did refuse a suitable offer of work.

Iowa Code § 96.5-3-a provides:

An individual shall be disqualified for benefits:

3. Failure to accept work. If the department finds that an individual has failed, without good cause, either to apply for available, suitable work when directed by the department or to accept suitable work when offered that individual. The department shall, if possible, furnish the individual with the names of employers which are seeking employees. The individual shall apply to and obtain the signatures of the employers designated by the department on forms provided by the department. However, the employers may refuse to sign the forms. The individual's failure to obtain the signatures of designated employers, which have not refused to sign the forms, shall disqualify the individual for benefits until requalified. To requalify for benefits after disqualification under this subsection, the individual shall work in and be paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

a. In determining whether or not any work is suitable for an individual, the department shall consider the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness, prior training, length of unemployment, and prospects for securing local work in the individual's customary occupation, the distance of the available work from the individual's residence, and any other factor which the department finds bears a reasonable relation to the purposes of this paragraph. Work is suitable if the work meets all the other criteria of this paragraph and if the gross weekly wages for the work equal or exceed the following percentages of the individual's average weekly wage for insured work paid to the individual during that quarter of the individual's base period in which the individual's wages were highest:

(1) One hundred percent, if the work is offered during the first five weeks of unemployment.

(2) Seventy-five percent, if the work is offered during the sixth through the twelfth week of unemployment.

(3) Seventy percent, if the work is offered during the thirteenth through the eighteenth week of unemployment.

(4) Sixty-five percent, if the work is offered after the eighteenth week of unemployment.

However, the provisions of this paragraph shall not require an individual to accept employment below the federal minimum wage.

The customer service offer was unsuitable, as it did not meet the minimum wage requirements set out above for an offer to be considered suitable. However the warehouse worker offer was suitable as it met the minimum wage requirement and was reasonably consistent with claimant's work history and indication of willingness to accept assembly-type work. Thus, claimant did not have a good cause reason for the refusal.

The administrative law judge further concludes claimant has been overpaid benefits.

Iowa Code § 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.

Because the claimant's separation was disqualifying, benefits were paid to which the claimant was not entitled. The unemployment insurance law provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for benefits, even though the claimant acted in good faith and was not otherwise at fault. However, the overpayment will not be recovered when it is based on a reversal on appeal of an initial determination to award benefits on an issue regarding the claimant's employment separation if: (1) the benefits were not received due to any fraud or willful misrepresentation by the claimant and (2) the employer did not participate in the initial proceeding to award benefits. The employer will not be charged for benefits whether or not the overpayment is recovered. Iowa Code § 96.3(7). In this case, the claimant has received benefits but was not eligible for those benefits.

### **DECISION:**

The June 17, 2010 (reference 02) decision is reversed. Claimant did refuse a suitable offer of work. Benefits are withheld until such time as the claimant works in and has been paid wages equal to ten times her weekly benefit amount, provided she is otherwise eligible.

### **REMAND**:

The matter of determining the amount of the potential overpayment and whether the overpayment should be recovered under Iowa Code § 96.3(7)b is remanded to the Agency.

Dévon M. Lewis Administrative Law Judge

Decision Dated and Mailed

dml/pjs