

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

SCOTT W BADKER
Claimant

SHRYOCK RACING COMPONENTS INC
Employer

APPEAL 20A-UI-09713-JC-T
**ADMINISTRATIVE LAW JUDGE
DECISION**

OC: 06/16/20
Claimant: Appellant (2)

Iowa Code § 96.3(5) – Benefit Duration - Business Closing
Iowa Admin. Code r. 871-24.29(1) and (2) – Business Closing

STATEMENT OF THE CASE:

Claimant/appellant, Scott W. Badker, filed an appeal from the July 29, 2020, (reference 03) unemployment insurance decision that denied extended benefits based on a business closure. The parties were properly notified about the hearing. A telephone hearing was held on September 29, 2020. Claimant participated personally. Employer participated through Kelly Shryock. Official notice was taken of the administrative records.

ISSUE:

Is the claimant eligible for extended unemployment insurance benefits due to a business closure?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant worked for employer as a full-time fabricator until June 2019 when he was permanently laid off.

Claimant worked at employer's Fertile, Iowa location. The location closed in early December 2020 permanently and moved all operations to its Joice, Iowa location. No other business is operating out of the terminal, as far as claimant was aware.

REASONING AND CONCLUSIONS OF LAW:

Iowa unemployment insurance law provides additional benefits for claimants laid off due to their employer going out of business at the factory, establishment, or other premises at which they were last employed. Iowa Code § 96.3(5). The unemployment insurance rules further provide business-closing benefits are to be paid retroactively to a claimant who is temporarily laid off with the expectation of returning to work and is prevented from returning to work because of the employer has gone out of business during the claimant's benefit year. 871 IAC 24.29(1). Finally, the rules define going out of business as any factory, establishment, or other premises of an employer that closes its doors and ceases to function as a business. An employer is not considered to have gone out of business at the factory, establishment, or other premises if the

employer sells or otherwise transfers the business to another employer and the successor employer continues to operate the business. 871 IAC 24.29(2).

In this case, claimant was laid off because his employer went out of business at the premises where he was employed. Therefore, claimant is entitled to extended unemployment insurance benefits as he was separated due to a business closure.

DECISION:

The July 29, 2020, (reference 03) decision is reversed. The claimant was laid off due to a business closure. Recalculation of benefits is allowed.



Jennifer L. Beckman
Administrative Law Judge
Unemployment Insurance Appeals Bureau
Iowa Workforce Development
1000 East Grand Avenue
Des Moines, Iowa 50319-0209
Fax 515-478-3528

September 30, 2020
Decision Dated and Mailed

jlb/mh