

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

CHRISTI REMA
Claimant

WAUCOMA GRAIN INC
Employer

APPEAL 22A-UI-02777-JD-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

OC: 01/02/22
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:

On January 9, 2022, the claimant filed an appeal from the January 5, 2022, (reference 01) unemployment insurance decision that denied her request to re-determine her claim based upon a business closure. After due notice was issued a telephone hearing was held on February 24, 2022. Claimant, Christi Rema, participated personally. Employer, Waucoma Grain, Inc. did not call the toll-free number listed on the notice of hearing and did not participate. The administrative law judge took official notice of the claimant's unemployment insurance benefits records.

ISSUE:

Is the claimant eligible to have her monetary determination recalculated due to business closing?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was notified by her employer on December 29, 2021, that employer would be permanently closing its business effective December 31, 2021. The business is closed and the worksite is empty.

REASONING AND CONCLUSIONS OF LAW:

The administrative law judge concludes that the claimant is eligible to have her monetary determination recalculated due to business closure.

Iowa Code section 96.3(5)a provides:

- a. Duration of benefits. The maximum total amount of benefits payable to an eligible individual during a benefit year shall not exceed the total of the wage credits accrued to the individual's account during the individual's base period, or twenty-six times the individual's weekly benefit amount, whichever is the lesser. The director shall maintain a separate account for each individual who earns wages in

insured work. The director shall compute wage credits for each individual by crediting the individual's account with one-third of the wages for insured work paid to the individual during the individual's base period. However, the director shall recompute wage credits for an individual who is laid off due to the individual's employer going out of business at the factory, establishment, or other premises at which the individual was last employed, by crediting the individual's account with one-half, instead of one-third, of the wages for insured work paid to the individual during the individual's base period. Benefits paid to an eligible individual shall be charged against the base period wage credits in the individual's account which have not been previously charged, in the inverse chronological order as the wages on which the wage credits are based were paid. However, if the state "off" indicator is in effect and if the individual is laid off due to the individual's employer going out of business at the factory, establishment, or other premises at which the individual was last employed, the maximum benefits payable shall be extended to thirty-nine times the individual's weekly benefit amount, but not to exceed the total of the wage credits accrued to the individual's account.

Iowa Admin. Code r. 871-24.29(1) provides:

Business closing.

(1) Whenever an employer at a factory, establishment, or other premises goes out of business at which the individual was last employed and is laid off, the individual's account is credited with one-half, instead of one-third, of the wages for insured work paid to the individual during the individual's base period, which may increase the maximum benefit amount up to 39 times the weekly benefit amount or one-half of the total base period wages, whichever is less. This rule also applies retroactively for monetary redetermination purposes during the current benefit year of the individual who is temporarily laid off with the expectation of returning to work once the temporary or seasonal factors have been eliminated and is prevented from returning to work because of the going out of business of the employer within the same benefit year of the individual. This rule also applies to an individual who works in temporary employment between the layoff from the business closing employer and the Claim for Benefits. For the purposes of this rule, temporary employment means employment of a duration not to exceed four weeks.

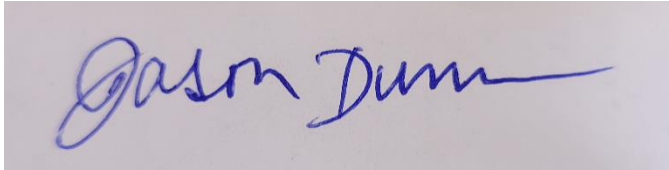
Iowa Admin. Code r. 871-24.29(2) provides:

(2) Going out of business means any factory, establishment, or other premises of an employer which closes its door and ceases to function as a business; however, an employer is not considered to have gone out of business at the factory, establishment, or other premises in any case in which the employer sells or otherwise transfers the business to another employer, and the successor employer continues to operate the business.

Waucoma Grain, Inc., permanently closed its business on December 31, 2021. The worksite is vacant and the employer has ceased all operations. The claimant is entitled to have her benefits recalculated due to business closure.

DECISION:

The January 5, 2022, (reference01), unemployment decision is reversed. The claimant is entitled to have her benefits recalculated due to business closure.



Jason Dunn
Administrative Law Judge
Unemployment Insurance Appeals Bureau
1000 East Grand Avenue
Des Moines, Iowa 50319-0209
Fax (515) 478-3528

March 15, 2022
Decision Dated and Mailed

jd/mh