IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

RONALD J OWEN Claimant

APPEAL NO. 21A-UI-08436-B2T

ADMINISTRATIVE LAW JUDGE DECISION

SLB OF IOWA LC Employer

> OC: 04/19/20 Claimant: Appellant (4)

Iowa Admin. Code r. 871-24.23(26) – Part-Time Worker – Same Wages and Hours Iowa Code § 96.4-3 – Able and Available Iowa Code § 96.7(2)A(2) – Partial Benefits Iowa Code § 96.19(38) – Total and Partial Unemployment Iowa Code § 96.5-2-a – Discharge

STATEMENT OF THE CASE:

Claimant filed an appeal from a decision of a representative dated March 22, 2021, reference 02, which held claimant not able and available for work. After due notice, a hearing was scheduled for and held on June 7, 2021. Claimant participated personally. Employer participated by Karen Beard. Claimant's Exhibits A-C were admitted into evidence. Claimant and employer agreed to waive time and notice and discuss the separation issue in this matter.

ISSUES:

Whether claimant is still employed at the same hours and wages?

Whether claimant is eligible to receive partial benefits?

Whether claimant is able and available for work?

Whether claimant was discharged for misconduct?

FINDINGS OF FACT:

The claimant worked for SLB of Iowa from June 2018 until March 2, 2021 as a part time delivery driver. During the time claimant worked for employer, he worked a Monday through Friday shift from 7:30 until approximately 1pm. In early 2021 claimant's hours were significantly cut by employer. In early March 2020 employer decided to go through a third party delivery service and ended claimant's employment.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was partially unemployed for the period of January 1, 2021 through March 2, 2021 and then terminated from his employment without cause attributable to claimant's actions.

Iowa Code section 96.4(3) provides:

An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. This subsection is waived if the individual is deemed partially unemployed, while employed at the individual's regular job, as defined in section 96.19, subsection 38, paragraph "b", unnumbered paragraph (1), or temporarily unemployed as defined in section 96.19, subsection 38, paragraph "c". The work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "h".

Iowa Code section 96.19(38) provides:

"Total and partial unemployment".

a. An individual shall be deemed "totally unemployed" in any week with respect to which no wages are payable to the individual and during which the individual performs no services.

b. An individual shall be deemed partially unemployed in any week in which either of the following apply:

(1) While employed at the individual's then regular job, the individual works less than the regular full-time week and in which the individual earns less than the individual's weekly benefit amount plus fifteen dollars.

(2) The individual, having been separated from the individual's regular job, earns at odd jobs less than the individual's weekly benefit amount plus fifteen dollars.

c. An individual shall be deemed temporarily unemployed if for a period, verified by the department, not to exceed four consecutive weeks, the individual is unemployed due to a plant shutdown, vacation, inventory, lack of work or emergency from the individual's regular job or trade in which the individual worked full-time and will again work full-time, if the individual's employment, although temporarily suspended, has not been terminated.

Because the claimant established regular hours part time work for a period of over a year, his cutback in those hours at or around January 1, 2021 created a situation where claimant was partially unemployed from January 1-March 2, 2021. For that period of time, claimant is considered partially unemployed.

Iowa Code section 96.5(2)a provides:

An individual shall be disqualified for benefits, regardless of the source of the individual's wage credits:

2. Discharge for misconduct. If the department finds that the individual has been discharged for misconduct in connection with the individual's employment:

a. The disqualification shall continue until the individual has worked in and has been paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

Iowa Admin. Code r. 871-24.32(1)a provides:

Discharge for misconduct.

(1) Definition.

a. "Misconduct" is defined as a deliberate act or omission by a worker which constitutes a material breach of the duties and obligations arising out of such worker's contract of employment. Misconduct as the term is used in the disqualification provision as being limited to conduct evincing such willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior which the employer has the right to expect of employees, or in carelessness or negligence of such degree of recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer. On the other hand, mere inefficiency, unsatisfactory conduct, failure in good performance as the result of inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good faith errors in judgment or discretion are not to be deemed misconduct within the meaning of the statute.

This definition has been accepted by the Iowa Supreme Court as accurately reflecting the intent of the legislature. *Huntoon v. Iowa Dep't of Job Serv.*, 275 N.W.2d 445, 448 (Iowa 1979).

A claimant is not qualified to receive unemployment insurance benefits if an employer has discharged the claimant for reasons constituting work connected misconduct. Iowa Code § 96.5-2-a. Before a claimant can be denied unemployment insurance benefits, the employer has the burden to establish the claimant was discharged for work-connected misconduct. *Cosper v. Iowa Department of Job Service*, 321 N.W.2d 6 (Iowa 1982), Iowa Code § 96.5-2-a.

The employer bears the burden of proving that a claimant is disqualified from receiving benefits because of substantial misconduct within the meaning of Iowa Code section 96.5(2). <u>Myers, 462</u> <u>N.W.2d at 737</u>. The propriety of a discharge is not at issue in an unemployment insurance case. An employer may be justified in discharging an employee, but the employee's conduct may not amount to misconduct precluding the payment of unemployment compensation. Because our unemployment compensation law is designed to protect workers from financial hardships when they become unemployed through no fault of their own, we construe the provisions "liberally to carry out its humane and beneficial purpose." <u>Bridgestone/Firestone, Inc.</u> <u>v. Emp't Appeal Bd., 570 N.W.2d 85, 96 (Iowa 1997)</u>. "[C]ode provisions which operate to work a forfeiture of benefits are strongly construed in favor of the claimant." <u>Diggs v. Emp't Appeal Bd., 478 N.W.2d 432, 434 (Iowa Ct. App. 1991)</u>.

In this matter, the evidence fails to establish that claimant was discharged for an act of misconduct as employer terminated claimant based on a business decision and not as a result of any alleged misdeeds on the part of claimant. The administrative law judge holds that claimant was not discharged for an act of misconduct and, as such, is not disqualified for the receipt of unemployment insurance benefits.

DECISION:

The March 22, 2021, reference 02, decision is modified in favor of claimant. The claimant is partially unemployed for the period between January 1-March 2, 2021 and benefits are allowed, provided claimant is otherwise eligible. The claimant is eligible to receive full unemployment insurance benefits for the period after March 2, 2021 as he was separated for no disqualifying event, provided claimant meets all other eligibility requirements.

Blair A. Bennett Administrative Law Judge

<u>June 22, 2021</u> Decision Dated and Mailed

bab/mh