

IOWA WORKFORCE DEVELOPMENT
Unemployment Insurance Appeals Section
1000 East Grand—Des Moines, Iowa 50319
DECISION OF THE ADMINISTRATIVE LAW JUDGE
68-0157 (7-97) – 3091078 - EI

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WAL-MART STORES INC
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ST LOUIS MO 63166-0283

Appeal Number: 05A-UI-12067-SWT
OC: 10/30/05 R: 03
Claimant: Respondent (2)

This Decision Shall Become Final, unless within fifteen (15) days from the date below, you or any interested party appeal to the Employment Appeal Board by submitting either a signed letter or a signed written Notice of Appeal, directly to the **Employment Appeal Board, 4th Floor—Lucas Building, Des Moines, Iowa 50319**.

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

STATE CLEARLY

1. The name, address and social security number of the claimant.
2. A reference to the decision from which the appeal is taken.
3. That an appeal from such decision is being made and such appeal is signed.
4. The grounds upon which such appeal is based.

YOU MAY REPRESENT yourself in this appeal or you may obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds. It is important that you file your claim as directed, while this appeal is pending, to protect your continuing right to benefits.

(Administrative Law Judge)

(Decision Dated & Mailed)

Section 96.5-2-a - Discharge
Section 96.3-7 - Recovery of Overpayment of Benefits

STATEMENT OF THE CASE:

The employer appealed an unemployment insurance decision dated November 18, 2005, reference 01, that concluded the claimant's discharge was not for work-connected misconduct. A telephone hearing was held on December 13, 2005. The parties were properly notified about the hearing. The claimant failed to participate in the hearing. Greg Cason participated in the hearing on behalf of the employer with a witness, Martin Cram. Exhibits One and Two were admitted into evidence at the hearing.

FINDINGS OF FACT:

The claimant worked for the employer as a unloader from March 1 to October 19, 2005. The claimant was discharged on October 19, 2005, because he had falsified his employment

application by failing to disclose that he had a misdemeanor theft conviction on his record. The claimant would not have been hired if he had answered the question truthfully.

The claimant filed a new claim for unemployment insurance benefits with an effective date of October 30, 2005. The claimant filed for and received a total of \$183.00 in unemployment insurance benefits for the week ending November 5, 2005.

REASONING AND CONCLUSIONS OF LAW:

The issue in this case is whether the claimant was discharged for work-connected misconduct as defined by the unemployment insurance law.

Iowa Code section 96.5-2-a provides:

An individual shall be disqualified for benefits:

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 individual shall be disqualified for benefits 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.

871 IAC 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 Department of Job Service, 275 N.W.2d 445, 448 (Iowa 1979).

The evidence establishes the claimant willfully misrepresented his criminal history on the employment application. This, however, does not end the inquiry. Under 871 IAC 24.32(6), the Agency has established standards for determining whether an individual who makes a false

statement on a work application is disqualified from receiving benefits. The preponderance of the evidence, however, fails to establish any of the conditions under 871 IAC 24.32(6) have been met as reflected in the findings of fact. The next question, is whether 871 IAC 24.32(6) establishes the sole standards for disqualifying a claimant who falsifies a job application. I conclude while the standards of 871 IAC 24.32(6) are sufficient to establish work-connected misconduct, there could be situations outside of the circumstances set forth in 871 IAC 24.32(6) in which an employee is disqualified from receiving unemployment insurance benefits based on falsifying a job application.

The Iowa Supreme Court has stated that a misrepresentation on a job application must be materially related to job performance to disqualify a claimant from receiving unemployment insurance benefits. Larson v. Employment Appeal Board, 474 N.W.2d 570, 571 (Iowa 1991). While this statement is dicta since the court ultimately decided Larson was discharged for incompetence not her deceit on her application, the reasoning is persuasive. The court does not define materiality but cites Independent School Dist. v. Hansen, 412 N.W.2d 320, 323 (Minn. App. 1987), which states a misrepresentation is not material if a truthful answer would not have prevented the person from being hired. In the present case, if the claimant had truthfully answered that he had a theft conviction, he would not have been interviewed or hired. The employer has the right to decide its hiring standards and minimum level of education for its workers. This was a material misrepresentation and not merely an insignificant exaggeration. Work-connected misconduct as defined by the unemployment insurance law has been established in this case.

The next issue in this case is whether the claimant was overpaid unemployment insurance benefits.

Iowa Code section 96.3-7 provides:

7. Recovery of overpayment of benefits. 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.

As a result of this decision, the claimant is disqualified from receiving unemployment insurance benefits and was overpaid \$183.00 in benefits for the week ending November 5, 2005.

DECISION:

The unemployment insurance decision dated November 18, 2005, reference 01, is reversed. The claimant is disqualified from receiving unemployment insurance benefits until he has been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible. The claimant was overpaid \$183.00 in unemployment insurance benefits, which must be repaid.

saw/pjs