

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

MATTHEW S TIMMERMAN
Claimant

APPEAL NO. 07A-UI-05707-MT

**ADMINISTRATIVE LAW JUDGE
DECISION**

**L A LEASING INC
SEDONA STAFFING**
Employer

**OC: 05/13/07 R: 04
Claimant: Respondent (1)**

Section 96.5-1 – Voluntary Quit

STATEMENT OF THE CASE:

Employer filed an appeal from a decision of a representative dated May 29, 2007, reference 01, which held claimant eligible for unemployment insurance benefits. After due notice, a telephone conference hearing was scheduled for and held on June 25, 2007. Claimant participated. Employer participated by Colleen McGuinty, Unemployment Benefits Administrator, and Nikki Kiefer, Branch Manager. Exhibit One was admitted into evidence.

ISSUE:

The issue in this matter is whether claimant quit for good cause attributable to employer.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and having considered all of the evidence in the record, finds: Claimant last worked for employer on March 6, 2007. Claimant had previously worked for this company and executed a no compete covenant. Upon his return to work, claimant did not sign a new no-compete covenant. Claimant was gone for about two months. Claimant then quit for other employment March 6, 2007. Before claimant could start with the new employer, Sedona obtained a court order preventing claimant from working for a competitor because of the old no compete covenant. The court order came after the separation but before the potential start date of May 7, 2007.

REASONING AND CONCLUSIONS OF LAW:

The administrative law judge holds that the evidence has established that claimant voluntarily quit for good cause attributable to employer when claimant terminated the employment relationship because of other employment. Quitting for other employment does qualify claimant for benefits. At the time of separation claimant had a good-faith basis to believe he was not bound by any no compete contract, since he did not sign such upon his most recent return to work for Sedona. Claimant left to take other employment in good faith. He has complied with all requirements of the rule by accepting other employment, quitting, and having the job disappear prior to the start date of May 7, 2007. An equity analysis does not apply to unemployment. The no compete agreement may have applied if there were no good-faith basis

to believe it was not valid. In this situation, claimant had a good-faith basis to believe he was not violating the old contract effective the date of termination, March 6, 2007. This is a quit without cause attributable to employer. However, claimant is qualified for benefits under the rules. Said benefits shall be charge to the unemployment compensation fund.

871 IAC 24.28(5) provides:

Voluntary quit requalifications and previously adjudicated voluntary quit issues.

(5) The claimant shall be eligible for benefits even though the claimant voluntarily quit if the claimant left for the sole purpose of accepting an offer of other or better employment, which the claimant did accept, and from which the claimant is separated, before or after having started the new employment.

DECISION:

The decision of the representative dated May 29, 2007, reference 01, is affirmed. Unemployment insurance benefits are allowed, provided claimant is otherwise eligible. Benefits shall be charged to the unemployment compensation fund.

Marlon Mormann
Administrative Law Judge

Decision Dated and Mailed

mdm/kjw