

**IN THE IOWA ADMINISTRATIVE HEARINGS DIVISION  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

**JOSEPH H HAMILTON**  
Claimant

**IOWA WORKFORCE DEVELOPMENT  
DEPARTMENT**

**APPEAL 24A-UI-01534-SN-T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 01/14/24  
Claimant: Appellant (1)**

38 USC §3102– Veteran Readiness and Employment-Subsistence Allowance

**STATEMENT OF THE CASE:**

On February 7, 2024, the claimant filed an appeal from the January 29, 2024, (reference 01) unemployment insurance decision that denied claimant's request to use his military wages credits on his claim for unemployment insurance benefits. The claimant was properly notified about the hearing. A telephone hearing was held on February 29, 2024, at 3:00 p.m. The claimant participated. No exhibits were entered into the record. The administrative law judge took official notice of the administrative file.

**ISSUES:**

Does the Veteran Readiness and Employment subsistence allowance disqualify claimant from using his military wages credits to become monetarily eligible?

Is the claimant's monetary record correct?

IS the claimant monetarily eligible for benefits?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds:

The claimant was a service member for the United States Army until he was discharged on June 30, 2023. The claimant received an honorable discharge. The claimant's base period consists entirely of his military wages.

As of June 5, 2022, the claimant's base pay per month from the United States Army was \$6,138.07. His base period does not include wages from other employers and is shown in the table below.

Employer	4 / 2022	1 / 2023	2 / 2023	3/ 2023
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United States Army	\$18,414.31	\$18,414.31	\$18,414.31	\$18,414.31
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The administrative records tend to show Iowa Workforce Development Department has not yet sent a request to the United States Army to confirm his wages.

The claimant is receiving a VA allowance through Veteran Readiness and Employment program. This allowance began on July 1, 2023. The claimant continues to receive Veteran Readiness and employment program benefits to continue his studies through Purdue University Global. The claimant filed for unemployment insurance benefits on January 14, 2024. The claimant provided his honorable discharge form, DD214, to Iowa Workforce Development shortly after filing his unemployment claim.

**REASONING AND CONCLUSIONS OF LAW:**

The administrative law judge finds the Veteran Readiness and Employment-Subsistence Allowance the claimant is enjoying is vocational rehabilitation training and educational assistance under the War Orphans Educational Assistance Act. This bars him from using his military wage credits. Since the claimant is barred from using these wage credits, he is not monetarily eligible on the claim.

38 USC §1718. Therapeutic and rehabilitative activities

(a) In providing rehabilitative services under this chapter, the Secretary, upon the recommendation of the Under Secretary for Health, may use the services of patients and members in Department health care facilities for therapeutic and rehabilitative purposes. Such patients and members shall not under these circumstances be held or considered as employees of the United States for any purpose. The Secretary shall prescribe the conditions for the use of such services.

(b)(1) In furnishing rehabilitative services under this chapter, the Secretary, upon the recommendation of the Under Secretary for Health, may enter into a contract or other arrangement with any appropriate source (whether or not an element of the Department of Veterans Affairs or of any other Federal entity) to provide for therapeutic work for patients and members in Department health care facilities.

(2) Notwithstanding any other provision of law, the Secretary may also furnish rehabilitative services under this subsection through contractual arrangements with nonprofit entities to provide for such therapeutic work for such patients. The Secretary shall establish appropriate fiscal, accounting, management, recordkeeping, and reporting requirements with respect to the activities of any such nonprofit entity in connection with such contractual arrangements.

(c)(1) There is hereby established in the Treasury of the United States a revolving fund known as the Department of Veterans Affairs Special Therapeutic and Rehabilitation Activities Fund (hereinafter in this section referred to as the "fund") for the purpose of furnishing rehabilitative services authorized in subsection (b) or (d). Such amounts of the fund as the Secretary may determine to be necessary to establish and maintain operating accounts for the various rehabilitative services activities may be deposited in checking accounts in other depositories selected or established by the Secretary.

(2) All funds received by the Department under contractual arrangements made under subsection (b) or (d), or by nonprofit entities described in subsection (b)(2), shall be deposited in or credited to the fund, and the Secretary shall distribute out of the fund moneys to participants at rates not less than the wage rates specified in the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) and regulations prescribed thereunder for work of similar character.

(3) The Under Secretary for Health shall prepare, for inclusion in the annual report submitted to Congress under section 529 of this title, a description of the scope and achievements of activities carried out under this section (including pertinent data regarding productivity and rates of distribution) during the prior twelve months and an estimate of the needs of the program of therapeutic and rehabilitation activities to be carried out under this section for the ensuing fiscal year.

(d) In providing to a veteran rehabilitative services under this chapter, the Secretary may furnish the veteran with the following:

(1) Work skills training and development services.

(2) Employment support services.

(3) Job development and placement services.

(e) In providing rehabilitative services under this chapter, the Secretary shall take appropriate action to make it possible for the patient to take maximum advantage of any benefits to which such patient is entitled under chapter 31, 34, or 35 of this title, and, if the patient is still receiving treatment of a prolonged nature under this chapter, the provision of rehabilitative services under this chapter shall be continued during, and coordinated with, the pursuit of education and training under such chapter 31, 34, or 35.

(f) The Secretary shall prescribe regulations to ensure that the priorities set forth in section 1705 of this title shall be applied, insofar as practicable, to participation in therapeutic and rehabilitation activities carried out under this section.

(g)(1) The Secretary may not consider any of the matters stated in paragraph (2) as a basis for the denial or discontinuance of a rating of total disability for purposes of compensation or pension based on the veteran's inability to secure or follow a substantially gainful occupation as a result of disability.

(2) Paragraph (1) applies to the following:

(A) A veteran's participation in an activity carried out under this section.

(B) A veteran's receipt of a distribution as a result of participation in an activity carried out under this section.

(C) A veteran's participation in a program of rehabilitative services that (i) is provided as part of the veteran's care furnished by a State home and (ii) is approved by the Secretary as conforming appropriately to standards for activities carried out under this section.

(D) A veteran's receipt of payment as a result of participation in a program described in subparagraph (C).

(3) A distribution of funds made under this section and a payment made to a veteran under a program of rehabilitative services described in paragraph (2)(C) shall be considered for the purposes of chapter 15 of this title to be a donation from a public or private relief or welfare organization.

### 38 USC §3108. Allowances

(a)(1) Except in the case of a veteran who makes an election under subsection (f) of this section and subject to the provisions of paragraph (3) of this subsection, each veteran shall be paid a subsistence allowance in accordance with this section during a period determined by the Secretary to be a period of such veteran's participation under this chapter in a rehabilitation program.

(2)(A) In any case in which the Secretary determines, at the conclusion of such veteran's pursuit of a vocational rehabilitation program under this chapter, that such veteran has been rehabilitated to the point of employability, such veteran shall be paid a subsistence allowance, as prescribed in this section for full-time training for the type of program that the veteran was pursuing, for two months while satisfactorily following a program of employment services provided under section 3104(a)(5) of this title.

(B) In any case in which the Secretary determines that a veteran described in subparagraph (A) has been displaced as the result of a natural or other disaster while being paid a subsistence allowance under that subparagraph, as determined by the Secretary, the Secretary may extend the payment of a subsistence allowance under such subparagraph for up to an additional two months while the veteran is satisfactorily following a program of employment services described in such subparagraph.

(3) A subsistence allowance may not be paid under this chapter to a veteran for any period during which such veteran is being provided with an initial evaluation under section 3106(a) of this title or during which such veteran is being provided only with counseling or with placement or postplacement services under section 3105(b) of this title.

### 38 USC §3102. Basic entitlement

(a) In General.-A person shall be entitled to a rehabilitation program under the terms and conditions of this chapter if-

(1) the person-

(A) is-

(i) a veteran who has a service-connected disability rated at 20 percent or more which was incurred or aggravated in service on or after September 16, 1940; or

(ii) hospitalized or receiving outpatient medical care, services, or treatment for a service-connected disability pending discharge from the active military, naval, air, or space service, and the Secretary determines that-

(I) the hospital (or other medical facility) providing the hospitalization, care, services, or treatment is doing so under contract or agreement with the Secretary concerned, or is under the jurisdiction of the Secretary of Veterans Affairs or the Secretary concerned; and

(II) the person is suffering from a disability which will likely be compensable at a rate of 20 percent or more under chapter 11 of this title; and

(B) is determined by the Secretary to be in need of rehabilitation because of an employment handicap; or

(2) the person is a veteran who-

(A) has a service-connected disability rated at 10 percent which was incurred or aggravated in service on or after September 16, 1940; and

(B) is determined by the Secretary to be in need of rehabilitation because of a serious employment handicap.

(b) Additional Rehabilitation Programs for Persons Who Have Exhausted Rights to Unemployment Benefits Under State Law.-(1) Except as provided in paragraph (4), a person who has completed a rehabilitation program under this chapter shall be entitled to an additional rehabilitation program under the terms and conditions of this chapter if-

(A) the person is described by paragraph (1) or (2) of subsection (a); and

(B) the person-

(i) has exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year;

(ii) has no rights to regular compensation with respect to a week under such State or Federal law; and

(iii) is not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(C) begins such additional rehabilitation program within six months of the date of such exhaustion.

(2) For purposes of paragraph (1)(B)(i), a person shall be considered to have exhausted such person's rights to regular compensation under a State law when-

(A) no payments of regular compensation can be made under such law because such person has received all regular compensation available to such person based on employment or wages during such person's base period; or

(B) such person's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(3) In this subsection, the terms "compensation", "regular compensation", "benefit year", "State", "State law", and "week" have the respective meanings given such terms under

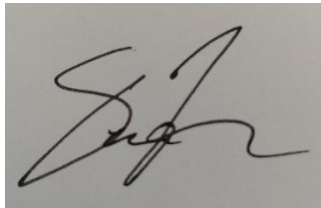
section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(4) No person shall be entitled to an additional rehabilitation program under paragraph (1) from whom the Secretary receives an application therefor after March 31, 2014.

The claimant has been receiving the Veteran Readiness and Employment-Subsistence Allowance since June 30, 2023. The administrative law judge disagrees with the claimant that this is a different benefit from the one contemplated on the decision. The claimant cites 38 U.S.C. 3115 as the federal law from which this benefit springs. This is just a different subsection of the same statutory scheme as cited above in 38 USC §3102 which disqualifies him from using his military wages. As a result, the administrative law judge finds the claimant is barred from using these military wage credits to become monetarily eligible for his claim. Since the claimant's monetary record does not contain any other wage credits from other employers, he is not monetarily eligible for benefits and his monetary record is correct.

**DECISION:**

The representative's January 29, 2024, (reference 01) is AFFIRMED. The claimant is not able to use his military wage credits because at the time of his filing for unemployment benefits the claimant was enjoying a Veteran Readiness and Employment-Subsistence Allowance. Since the claimant is barred from using these military wage credits, his monetary record is correct in showing there are not any wages to be used in his base period to become monetarily eligible.



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Sean M. Nelson  
Administrative Law Judge II

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March 6, 2024  
Decision Dated and Mailed

SMN/jkb

**APPEAL RIGHTS.** If you disagree with the decision, you or any interested party may:

1. Appeal to the Employment Appeal Board within fifteen (15) days of the date under the judge's signature by submitting a written appeal via mail, fax, or online to:

**Iowa Employment Appeal Board  
6200 Park Avenue Suite 100  
Des Moines, Iowa 50321  
Fax: (515)281-7191  
Online: eab.iowa.gov**

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.

AN APPEAL TO THE BOARD SHALL 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.

An Employment Appeal Board decision is final agency action. If a party disagrees with the Employment Appeal Board decision, they may then file a petition for judicial review in district court.

2. If no one files an appeal of the judge's decision with the Employment Appeal Board within fifteen (15) days, the decision becomes final agency action, and you have the option to file a petition for judicial review in District Court within thirty (30) days after the decision becomes final. Additional information on how to file a petition can be found at Iowa Code §17A.19, which is online at <https://www.legis.iowa.gov/docs/code/17A.19.pdf> or by contacting the District Court Clerk of Court <https://www.iowacourts.gov/iowa-courts/court-directory/>.

**Note to Parties:** YOU MAY REPRESENT yourself in the appeal or 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.

**Note to Claimant:** It is important that you file your weekly claim as directed, while this appeal is pending, to protect your continuing right to benefits.

**SERVICE INFORMATION:**

A true and correct copy of this decision was mailed to each of the parties listed.

**DERECHOS DE APELACIÓN.** Si no está de acuerdo con la decisión, usted o cualquier parte interesada puede:

1. Apelar a la Junta de Apelaciones de Empleo dentro de los quince (15) días de la fecha bajo la firma del juez presentando una apelación por escrito por correo, fax o en línea a:

**Iowa Employment Appeal Board  
6200 Park Avenue Suite 100  
Des Moines, Iowa 50321  
Fax: (515)281-7191  
En línea: eab.iowa.gov**

El período de apelación se extenderá hasta el siguiente día hábil si el último día para apelar cae en fin de semana o día feriado legal.

UNA APELACIÓN A LA JUNTA DEBE ESTABLECER CLARAMENTE:

- 1) El nombre, dirección y número de seguro social del reclamante.
- 2) Una referencia a la decisión de la que se toma la apelación.
- 3) Que se interponga recurso de apelación contra tal decisión y se firme dicho recurso.
- 4) Los fundamentos en que se funda dicho recurso.

Una decisión de la Junta de Apelaciones de Empleo es una acción final de la agencia. Si una de las partes no está de acuerdo con la decisión de la Junta de Apelación de Empleo, puede presentar una petición de revisión judicial en el tribunal de distrito.

2. Si nadie presenta una apelación de la decisión del juez ante la Junta de Apelaciones Laborales dentro de los quince (15) días, la decisión se convierte en acción final de la agencia y usted tiene la opción de presentar una petición de revisión judicial en el Tribunal de Distrito dentro de los treinta (30) días después de que la decisión adquiera firmeza. Puede encontrar información adicional sobre cómo presentar una petición en el Código de Iowa §17A.19, que se encuentra en línea en <https://www.legis.iowa.gov/docs/code/17A.19.pdf> o comunicándose con el Tribunal de Distrito Secretario del tribunal <https://www.iowacourts.gov/iowa-courts/court-directory/>.

**Nota para las partes:** USTED PUEDE REPRESENTARSE en la apelación u obtener un abogado u otra parte interesada para que lo haga, siempre que no haya gastos para Workforce Development. Si desea ser representado por un abogado, puede obtener los servicios de un abogado privado o uno cuyos servicios se paguen con fondos públicos.

**Nota para el reclamante:** es importante que presente su reclamo semanal según las instrucciones, mientras esta apelación está pendiente, para proteger su derecho continuo a los beneficios.

**SERVICIO DE INFORMACIÓN:**

Se envió por correo una copia fiel y correcta de esta decisión a cada una de las partes enumeradas.



