

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DOUGLAS L SMITH

Claimant

APPEAL NO. 07A-UI-00757-NT

**ADMINISTRATIVE LAW JUDGE
DECISION**

PPG AGRICULTURAL FINISHES INC

Employer

OC: 11-26-06 R: 02

Claimant: Appellant (2)

Section 96.3-5 – Layoff Due to Business Closing

STATEMENT OF THE CASE:

An appeal was filed from a representative's decision dated January 19, 2007, reference 01. A hearing was scheduled for February 6, 2007. Prior to the hearing being held, the agency redetermined the decision in the claimant's favor.

ISSUE:

The issue is whether the claimant's separation took place due to a business closing.

FINDINGS OF FACT:

The administrative law judge, having considered the evidence in the record, finds that: The agency has redetermined in favor of the claimant.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.3-5 provides:

5. 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.

DECISION:

The decision of the representative dated January 19, 2007, reference 01, is reversed. The separation was caused by a business closing.

Terence P. Nice
Administrative Law Judge

Decision Dated and Mailed

tpn/kjw