# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

KEVIN P MIILLE Claimant

# APPEAL 21A-DUA-01650-AW-T

# ADMINISTRATIVE LAW JUDGE DECISION

### IOWA WORKFORCE DEVELOPMENT DEPARTMENT

OC: 04/11/21 Claimant: Appellant (1)

PL 116-136, Sec. 2102 – Federal Pandemic Unemployment Assistance

# STATEMENT OF THE CASE:

Claimant filed an appeal from the Iowa Workforce Development decision dated June 16, 2021 that determined claimant was not eligible for Pandemic Unemployment Assistance (PUA) benefits. Claimant was properly notified of the hearing. A telephone hearing was held on July 24, 2021 at 9:30 a.m. Claimant participated in the hearing. No exhibits were admitted. Official notice was taken of the administrative record.

### ISSUE:

Whether claimant is eligible for Pandemic Unemployment Assistance.

### FINDINGS OF FACT:

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

Claimant filed an initial claim for unemployment insurance benefits with an effective date of April 11, 2021. Claimant is not monetarily eligible for regular unemployment insurance benefits. Claimant filed an application for Pandemic Unemployment Assistance.

Claimant is self-employed as a full-time Pastor for Light of Ankeny Church. Claimant received \$48,114.00 in 2019 and \$50,218.00 in 2020 from Light of Ankeny Church. Claimant received his regular income from the church from January to March of 2021. In April 2021, the church stopped paying claimant for his services due to lack of funds. The church experienced a decline in tithes after the pandemic began. The church paid claimant from its savings until April 2021, when it exhausted those savings. Claimant continues to perform his regular full-time work as a Pastor despite the lack of compensation.

# **REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes:

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, Sec. 2102 provides for unemployment benefit assistance to any covered individual for any weeks

beginning on or after January 27, 2020 and ending on or before December 31, 2020, during which the individual is unemployed, partially unemployed, or unable to work due to COVID–19.

The Continued Assistance for Unemployed Workers Act of 2020 (enacted December 27, 2020) and American Rescue Act of 2021 (enacted March 11, 2021) extended PUA benefits for weeks of unemployment to September 6, 2021.

On May 11, 2021, Governor Reynolds announced that Iowa will end its participation in federal pandemic-related unemployment benefit programs effective June 12, 2021. The last payable week for PUA in Iowa will be the week ending June 12, 2021. Additional information can be found in the press release at <u>https://www.iowaworkforcedevelopment.gov/iowa-end-participation-federal-unemployment-benefit-programs-citing-strong-labor-market-and</u>.

The issue to be determined here is whether claimant is a "covered individual" who is eligible to receive benefits within the meaning of applicable law.

Section 2102 of the CARES Act describes a covered individual as follows:

(3) COVERED INDIVIDUAL.—The term "covered individual"—

(A) means an individual who-

(i) is not eligible for regular compensation or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107, including an individual who has exhausted all rights to regular unemployment or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107; and

(ii) provides self-certification that the individual—

(I) is otherwise able to work and available for work within the meaning of applicable State law, except the individual is unemployed, partially unemployed, or unable or unavailable to work because—

(aa) the individual has been diagnosed with COVID–19 or is experiencing symptoms of COVID–19 and seeking a medical diagnosis;

(bb) a member of the individual's household has been diagnosed with COVID-19;

(cc) the individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID–19;

(dd) a child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID–19 public health emergency and such school or facility care is required for the individual to work;

(ee) the individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID–19 public health emergency;

(ff) the individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;

(gg) the individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID–19 public health emergency;

(hh) the individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID–19;

(ii) the individual has to quit his or her job as a direct result of COVID–19;

(jj) the individual's place of employment is closed as a direct result of the COVID–19 public health emergency; or

(kk) the individual meets any additional criteria established by the Secretary for unemployment assistance under this section; or

(II) is self-employed, is seeking part-time employment, does not have sufficient work history, or otherwise would not qualify for regular unemployment or extended benefits under State or Federal law or pandemic emergency unemployment compensation under section 2107 and meets the requirements of subclause (I); and

(B) does not include-

(i) an individual who has the ability to telework with pay; or

(ii) an individual who is receiving paid sick leave or other paid leave benefits, regardless of whether the individual meets a qualification described in items (aa) through (kk) of subparagraph (A)(i)(I).

The United States Code authorizes the Secretary of the United States Department of Labor to enter into agreements with states to administer Pandemic Unemployment Assistance (PUA) benefits under the CARES Act. PL 116-136, Sec. 2102(f). Iowa Code § 96.11 mandates that Iowa Workforce Development "shall cooperate with the United States department of labor to the fullest extent consistent with the provisions of this chapter. . ." The United States Department of Labor has issued operating instructions to states in implementing section 2102 of the CARES Act. When implementing section 2102, the operating instructions direct states to first consult section 2102 of the CARES Act and then the operating instructions. When both are silent,

states should refer to section 625 of title 20, Code of Federal Regulations. When consulting the regulations, the term "COVID-19 public health emergency" is to be substituted for the term "major disaster" and the term "pandemic is to be substituted for the term "disaster."

An individual must be unemployed and the unemployment must be caused by a major disaster. 20 CFR 625.4.

Title 20 of the Code of Federal Regulations, section 625.2(t) provides:

(t) Unemployed self-employed individual means an individual who was self-employed in or was to commence self-employment in the major disaster area at the time the major disaster began, and whose principal source of income and livelihood is dependent upon the individual's performance of service in self-employment, and whose unemployment is caused by a major disaster as provided in § 625.5(b).

Title 20 of the Code of Federal Regulations, section 625.5(b) and (c) provide:

(b) Unemployed self-employed individual. The unemployment of an unemployed selfemployed individual is caused by a major disaster if—

(1) The individual has a "week of unemployment" as defined in § 625.2(w)(2) following the "date the major disaster began" as defined in § 625.2(e), and such unemployment is a direct result of the major disaster; or

(2) The individual is unable to reach the place where services as a self-employed individual are performed, as a direct result of the major disaster; or

(3) The individual was to commence regular services as a self-employed individual, but does not have a place or is unable to reach the place where the services as a self-employed individual were to be performed, as a direct result of the major disaster; or

(4) The individual cannot perform services as a self-employed individual because of an injury caused as a direct result of the major disaster.

(c) Unemployment is a direct result of the major disaster. For the purposes of paragraphs (a)(1) and (b)(1) of this section, a worker's or self-employed individual's unemployment is a direct result of the major disaster where the unemployment is an immediate result of the major disaster itself, and <u>not the result of a longer chain of events precipitated or exacerbated by the disaster</u>. Such an individual's unemployment is a direct result of the major disaster if the unemployment resulted from:

(1) The physical damage or destruction of the place of employment;

(2) The physical inaccessibility of the place of employment in the major disaster area due to its closure by or at the request of the federal, state or local government, in immediate response to the disaster; or

(3) Lack of work, or loss of revenues, provided that, prior to the disaster, the employer, or the business in the case of a self-employed individual, received at least a majority of its revenue or income from an entity in the major disaster area that was either damaged or destroyed in the disaster, or an entity in the major disaster area

closed by the federal, state or local government in immediate response to the disaster.

Here, claimant is a self-employed individual who has not received compensation for his services since April 2021. Claimant has not established that church's inability to pay him is an immediate result of Covid-19 and not the result of a longer chain of events precipitated or exacerbated by Covid-19. Claimant has not established that he meets any of the eligibility requirements outlined above and, thus, is not eligible for PUA.

### DECISION:

The Iowa Workforce Development decision dated June 16, 2021 that determined claimant was not eligible for Pandemic Unemployment Assistance (PUA) benefits is affirmed. Claimant does not meet the eligibility requirements outlined above. Benefits are denied.

Adrienne C. Williamson Administrative Law Judge Unemployment Insurance Appeals Bureau Iowa Workforce Development 1000 East Grand Avenue Des Moines, Iowa 50319-0209 Fax (515)478-3528

July 30, 2021 Decision Dated and Mailed

acw/kmj