

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**SANDRA J CAIN**  
Claimant

**APPEAL NO. 12A-UI-06334-HT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**LINK-UP ENTERPRISES**  
Employer

**OC: 01/22/12**  
**Claimant: Appellant (2)**

Section 96.3(5) – Business Closing

**STATEMENT OF THE CASE:**

The claimant, Sandra Cain, filed an appeal from a decision dated May 23, 2012, reference 03. The decision denied the claimant's request for a redetermination of benefits based on a business closing. After due notice was issued, a hearing was held by telephone conference call on June 22, 2012. The claimant participated on her own behalf. The employer participated by Program Manager Sinco Sempambo.

**ISSUE:**

The issue is whether the claimant may have her claim redetermined as a business permanently closed.

**FINDINGS OF FACT:**

Sandra Cain was employed by Link-Up from November 18, 2008 until January 24, 2012 as a part-time home care worker. She was scheduled out of the Adel, Iowa, office. In January 2012, the employer announced the office was closing. It is currently closed without any business being operated from that location.

**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.

871 IAC 24.29(1) provides:

Business closing.

(1) Whenever an employer at a factory, establishment, or other premises goes out of business at which the individual was last employed and is laid off, the individual's account is credited with one-half, instead of one-third, of the wages for insured work paid to the individual during the individual's base period. This rule also applies retroactively for monetary redetermination purposes during the current benefit year of the individual who is temporarily laid off with the expectation of returning to work once the temporary or seasonal factors have been eliminated and is prevented from returning to work because of the going out of business of the employer within the same benefit year of the individual. This rule also applies to an individual who works in temporary employment between the layoff from the business closing employer and the Claim for Benefits. For the purposes of this rule, temporary employment means employment of a duration not to exceed four weeks.

The claimant was laid off when the employer closed the business office at her location. No business is currently being conducted from that location.

**DECISION:**

The representative's decision of May 23, 2012, reference 03, is reversed. Sandra Cain shall have her claim redetermined as a business permanently closed.

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Bonny G. Hendricksmeier  
Administrative Law Judge

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Decision Dated and Mailed

bgh/kjw