# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

LARS LEE Claimant **APPEAL 20A-UI-05444-SC-T** 

ADMINISTRATIVE LAW JUDGE DECISION

**SLB OF IOWA LC** 

Employer

OC: 04/05/20

Claimant: Respondent (4)

Iowa Code § 96.19(38) – Total, Partial, and Temporary Unemployment

Iowa Code § 96.4(3) – Ability to and Availability for Work

Iowa Admin. Code r. 871-24.22 - Able & Available - Benefits Eligibility Conditions

Iowa Admin. Code r. 871-24.23(26) - Available - Part-time Same Wages and Hours

Iowa Code § 96.3(7) – Overpayment of Benefits

Public Law 116-136 § 2104(b) – Federal Pandemic Unemployment Compensation

Iowa Code § 96.7(2)a(2) – Employer Chargeability

### STATEMENT OF THE CASE:

On June 8, 2020, SLB of Iowa, LC (employer) filed an appeal from the May 29, 2020, reference 01, unemployment insurance decision that allowed benefits effective April 5, 2020, because the agency determined Lars Lee (claimant) was not employed in his same hours and wages as contemplated in the contract of hire but was able to and available for work. After due notice was issued, a telephone hearing was held on July 16, 2020. The claimant participated personally. The employer participated through Karen Beard, Human Resources Manager. No exhibits were offered into the record. The administrative law judge took official notice of the claimant's claim and wage histories

#### **ISSUES:**

Is the claimant totally, partially, or temporarily unemployed? Was the claimant able to and available for work effective April 5, 2020?

Has the claimant been overpaid regular unemployment benefits and Federal Pandemic Unemployment Compensation (FPUC)?

Is the employer's account subject to charge?

## **FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant began working for the employer on April 29, 2013 as a part-time associate with varied hours. The claimant filed his claim for benefits effective April 5, 2020 and his weekly benefit amount is \$166. During the base period, this employer was the claimant's only employer and his wage credits varied each quarter between \$1,577 and \$3,819.

The claimant filed for benefits for the three-week period between April 5 and April 25. He reported \$62 in wages earned for the week ending April 11 and \$108 for the week ending April 25. The claimant received \$244 in regular benefits and \$1,200 in Federal Pandemic Unemployment Compensation (FPUC) during those two weeks. However, he did not work and earn wages for the week ending April 18.

#### **REASONING AND CONCLUSIONS OF LAW:**

I. Is the claimant totally, partially, or temporarily unemployed?

For the reasons that follow, the administrative law judge concludes that the claimant was not totally or partially unemployed during the weeks ending April 11 and April 25. Benefits for those two weeks are denied. The claimant was totally unemployed during the week ending April 18 and benefits for that week are allowed, provided he meets all other eligibility requirements.

Iowa Code § 96.4(3) provides:

An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. This subsection is waived if the individual is deemed partially unemployed, while employed at the individual's regular job, as defined in section 96.19, subsection 38, paragraph "b", unnumbered paragraph (1), or temporarily unemployed as defined in section 96.19, subsection 38, paragraph "c". The work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "h".

Iowa Code § 96.19(38) provides:

"Total and partial unemployment".

- a. An individual shall be deemed "totally unemployed" in any week with respect to which no wages are payable to the individual and during which the individual performs no services.
- b. An individual shall be deemed partially unemployed in any week in which either of the following apply:
- (1) While employed at the individual's then regular job, the individual works less than the regular full-time week and in which the individual earns less than the individual's weekly benefit amount plus fifteen dollars.
- (2) The individual, having been separated from the individual's regular job, earns at odd jobs less than the individual's weekly benefit amount plus fifteen dollars.
- c. An individual shall be deemed temporarily unemployed if for a period, verified by the department, not to exceed four consecutive weeks, the individual is unemployed due to a plant shutdown, vacation, inventory, lack of work or emergency from the individual's regular job or trade in which the individual

worked full-time and will again work full-time, if the individual's employment, although temporarily suspended, has not been terminated.

Iowa Admin. Code r. 871-24.23(26) provides:

Availability disqualifications. The following are reasons for a claimant being disqualified for being unavailable for work.

(26) Where a claimant is still employed in a part-time job at the same hours and wages as contemplated in the original contract for hire and is not working on a reduced workweek basis different from the contract for hire, such claimant cannot be considered partially unemployed.

Under Iowa Employment Security Law, an individual must be totally, partially, or temporarily unemployed to be eligible for benefits. Iowa Code § 96.19(38). Total unemployment is when someone has received no wages and performed no services during any given week. *Id.* In this case, the claimant was totally unemployed from a part-time position during the week ending April 18 and benefits are allowed, provided he meets all other eligibility requirements.

However, the claimant performed services and earned wages for the weeks ending April 11 and April 25 and cannot be totally or temporarily unemployed those weeks. The next question is whether he was partially unemployed for those two weeks. In order to be partially unemployed, an individual must be laid off from regular full-time employment or working less than his or her regular full-time work week. *Id.* If an individual is employed in a part-time position working the same hours and wages as contemplated at hire, he or she cannot be considered partially unemployed. Iowa Admin. Code r. 871-24.23(26). The claimant was hired into a part-time position with varying hours. As the claimant was working in a part-time job in the same hours and wages contemplated at hire, he is not partially unemployed for those weeks and is not eligible for regular benefits.

II. Was the claimant able to and available for work during the week ending April 18?

For the reasons that follow, the administrative law judge finds the claimant was able to and available for work during the week ending April 18. Benefits are allowed.

Iowa Code section 96.4(3) provides:

An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. This subsection is waived if the individual is deemed partially unemployed, while employed at the individual's regular job, as defined in section 96.19, subsection 38, paragraph "b", unnumbered paragraph (1), or temporarily unemployed as defined in section 96.19, subsection 38, paragraph "c". The work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "h".

Iowa Admin. Code r. 871-24.22 provides, in relevant part:

Benefits eligibility conditions. For an individual to be eligible to receive benefits the department must find that the individual is able to work, available for work, and earnestly and actively seeking work. The individual bears the burden of establishing that the individual is able to work, available for work, and earnestly and actively seeking work.

(1) Able to work. An individual must be physically and mentally able to work in some gainful employment, not necessarily in the individual's customary occupation, but which is engaged in by others as a means of livelihood.

. . .

(2) Available for work. The availability requirement is satisfied when an individual is willing, able, and ready to accept suitable work which the individual does not have good cause to refuse, that is, the individual is genuinely attached to the labor market. Since, under unemployment insurance laws, it is the availability of an individual that is required to be tested, the labor market must be described in terms of the individual. A labor market for an individual means a market for the type of service which the individual offers in the geographical area in which the individual offers the service. Market in that sense does not mean that job vacancies must exist; the purpose of unemployment insurance is to compensate for lack of job vacancies. It means only that the type of services which an individual is offering is generally performed in the geographical area in which the individual is offering the services.

An individual claiming benefits has the burden of proof that he is be able to work, available for work, and earnestly and actively seeking work. Iowa Admin. Code r. 871-24.22. The claimant has established he was able to and available for work, but the employer did not have any hours available. Accordingly, he is eligible for regular unemployment insurance benefits for the week ending April 18.

III. Has the claimant been overpaid regular unemployment benefits and Federal Pandemic Unemployment Compensation (FPUC)?

For the reasons that follow, the administrative law judge concludes the claimant has been overpaid regular unemployment benefits and FPUC for the weeks ending April 11 and April 25.

Iowa Code § 96.3(7) provides, in pertinent part:

- 7. Recovery of overpayment of benefits.
- a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.

PL116-136, Sec. 2104 provides, in relevant part:

# EMERGENCY INCREASE IN UNEMPLOYMENT COMPENSATION BENEFITS.

. . .

- (b) Provisions of Agreement
- (1) Federal pandemic unemployment compensation.--Any agreement under this section shall provide that the State agency of the State will make payments of regular compensation to individuals in amounts and to the extent that they would be determined if the State law of the State were applied, with respect to any week for which the individual is (disregarding this section) otherwise entitled under the State law to receive regular compensation, as if such State law had been modified in a manner such that the amount of regular compensation (including dependents' allowances) payable for any week shall be equal to
- (A) the amount determined under the State law (before the application of this paragraph), plus
- (B) an additional amount of \$600 (in this section referred to as "Federal Pandemic Unemployment Compensation").

. . . .

(f) Fraud and Overpayments

. . .

(2) Repayment.--In the case of individuals who have received amounts of Federal Pandemic Unemployment Compensation to which they were not entitled, the State shall require such individuals to repay the amounts of such Federal Pandemic Unemployment Compensation to the State agency...

Since the claimant is not eligible for regular unemployment benefits, he was overpaid \$244 in regular unemployment benefits and \$1,200 in FPUC during the weeks ending April 11 and April 25. The claimant will be required to repay the benefits received unless the Employment Appeal Board reverses this decision on appeal or he is eligible for Pandemic Unemployment Assistance (PUA).

IV. Is the employer's account subject to charge?

For the reasons that follow, the administrative law judge concludes the employer's account will not be charged for the benefits the claimant received for the week ending April 18.

Iowa Code section 96.7(2)a(2)(a), (b), and (c) provides:

Employer contributions and reimbursements.

2. Contribution rates based on benefit experience.

- a. (2) The amount of regular benefits plus fifty percent of the amount of extended benefits paid to an eligible individual shall be charged against the account of the employers in the base period in the inverse chronological order in which the employment of the individual occurred.
- (a) However, if the individual to whom the benefits are paid is in the employ of a base period employer at the time the individual is receiving the benefits, and the individual is receiving the same employment from the employer that the individual received during the individual's base period, benefits paid to the individual shall not be charged against the account of the employer. This provision applies to both contributory and reimbursable employers, notwithstanding subparagraph (3) and section 96.8, subsection 5.
- (b) An employer's account shall not be charged with benefits paid to an individual who left the work of the employer voluntarily without good cause attributable to the employer or to an individual who was discharged for misconduct in connection with the individual's employment, or to an individual who failed without good cause, either to apply for available, suitable work or to accept suitable work with that employer, but shall be charged to the unemployment compensation fund. This paragraph applies to both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.
- (c) The amount of benefits paid to an individual, which is solely due to wage credits considered to be in an individual's base period due to the exclusion and substitution of calendar quarters from the individual's base period under section 96.23, shall be charged against the account of the employer responsible for paying the workers' compensation benefits for temporary total disability or during a healing period under section 85.33, section 85.34, subsection 1, or section 85A.17, or responsible for paying indemnity insurance benefits.

Normally, the employer would be charged for the claimant's benefits. This employer was the only employer in his base period and he was totally unemployed for a week. However, due to the pandemic, the charges to the employer's account are waived.

## **DECISION:**

Regular Unemployment Insurance Benefits Under State Law

The May 29, 2020, reference 01, unemployment insurance decision is modified in favor of the appellant. The claimant was not totally, partially, or temporarily unemployed for the weeks ending April 11 and April 25. As a result, benefits are denied and he has been overpaid \$244 in regular unemployment benefits and \$1,200 in FPUC. The claimant was totally unemployed and available for work during the week ending April 18 and benefits are allowed. However, charges to the employer's account for that week are waived.

Pandemic Unemployment Assistance (PUA) Under the Federal CARES Act

Even though the claimant is not eligible for regular unemployment insurance benefits under state law, he may be eligible for federally funded unemployment insurance benefits under the CARES Act. Section 2102 of the CARES Act creates a new temporary federal program called Pandemic Unemployment Assistance (PUA) that, in general, provides up to 39 weeks of unemployment benefits. An individual receiving PUA benefits may also receive the \$600 weekly

benefit amount in FPUC. This decision does not address whether the claimant is eligible for PUA. For a decision on such eligibility, the claimant must apply for PUA, as noted in the instructions provided in the "Note to Claimant" below.

Stephanie R. Callahan Administrative Law Judge

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July 30, 2020

Decision Dated and Mailed

src/sam

Note to Claimant. This decision determines you are not eligible for regular unemployment insurance benefits. If you disagree with this decision, you may file an appeal to the Employment Appeal Board by following the instructions on the first page of this decision. Individuals who do not qualify for regular unemployment insurance benefits, but who are currently unemployed for reasons related to COVID-19 may qualify for Pandemic Unemployment Assistance (PUA). You will need to apply for PUA to determine your eligibility under the program. Additional information on how to apply for PUA can be found at <a href="https://www.iowaworkforcedevelopment.gov/pua-information">https://www.iowaworkforcedevelopment.gov/pua-information</a>. If this decision becomes final or if you are not eligible for PUA, you may have an overpayment of benefits.