

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DEBRA L GRIGGS
Claimant

APPEAL NO. 07A-UI-09965-CT

**ADMINISTRATIVE LAW JUDGE
DECISION**

JAM PUBLISHING INC
Employer

OC: 06/03/07 R: 01
Claimant: Respondent (1-R)

Section 96.3(5) – Duration of Benefits

STATEMENT OF THE CASE:

Jam Publishing, Inc. filed an appeal from a representative's decision dated October 19, 2007, reference 04, which allowed a re-determination of benefits for Debra Griggs on a finding that she was unemployed due to a business closing. After due notice was issued, a hearing was held by telephone on November 19, 2007. Ms. Griggs participated personally and offered additional testimony from Jeff Bricker and Dawn Davis. The employer participated by Matt Ewing, President/CEO.

ISSUE:

At issue in this matter is whether Ms. Griggs is unemployed due to her employer going out of business.

FINDINGS OF FACT:

Having heard the testimony of the witnesses and having reviewed all of the evidence in the record, the administrative law judge finds: Ms. Griggs began working for Jam Publishing, Inc. on January 29, 2006. She was employed full time in accounts receivable and accounts payable. She was notified on June 4, 2007 that her position was no longer available due to down-sizing. No other reason was given for the separation.

Although there were financial difficulties when Ms. Griggs left the employment, the employer did not decide to close the business until approximately September 19, 2007. Jam Publishing, Inc. no longer exists as a business entity at the location where Ms. Griggs was last employed. The business was not sold to another entity.

Ms. Griggs is currently working with at least one former coworker to start her own business. Office space has been rented and a telephone installed. Ms. Griggs devotes some time each week to her self-employment endeavor.

REASONING AND CONCLUSIONS OF LAW:

The issue in this matter is whether Ms. Griggs is unemployed due to her employer going out of business. It is undisputed that Jam Publishing, Inc. has closed its doors and no longer exists as a business entity at the location where she was last employed. Therefore, there was a business closing as defined by 871 IAC 24.29(2). The issue then becomes whether Ms. Griggs' unemployment is due to the business closing. She was discharged in June due to down-sizing. The down-sizing was due directly to financial difficulties the company was experiencing. The financial difficulties continued until a decision was made in September to close the business.

The administrative law judge appreciates that Ms. Griggs was not employed by Jam Publishing, Inc. when the decision was made to close the business. However, the same financial problems that caused her separation in June continued until the eventual business closing in September. The down-sizing was, in essence, the beginning of the end of the business. Based on the above factors, the administrative law judge concludes that Ms. Griggs is unemployed due to a business closing within the intent of Iowa Code section 96.3(5). For the above reasons, she is entitled to have her claim re-determined.

Ms. Griggs is devoting time and efforts to becoming self-employed. She has rented office space and has an office telephone. This matter shall be remanded to Claims to investigate her availability for work given her self-employment efforts.

DECISION:

The representative's decision dated October 19, 2007, reference 04, is hereby affirmed. Ms. Griggs is entitled to have her claim re-determined because she is unemployed due to a business closing within the meaning of the law. This matter is remanded to Claims to investigate Ms. Griggs' availability for work.

Carolyn F. Coleman
Administrative Law Judge

Decision Dated and Mailed

cfc/kjw