# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

**BRADLEY M DOUGLAS** 

Claimant

APPEAL 20A-DUA-00334-JC-T

ADMINISTRATIVE LAW JUDGE DECISION

IOWA WORKFORCE DEVELOPMENT DEPARTMENT

OC: 12/29/19

Claimant: Appellant (1)

PL 116-136, Sec. 2012 – Federal Pandemic Unemployment Assistance 20 CFR 625 – Disaster Unemployment Assistance

#### STATEMENT OF THE CASE:

The claimant/appellant, Bradley M. Douglas, filed an appeal from the Iowa Workforce Development decision dated September 2, 2020 that determined claimant was not eligible for federal Pandemic Unemployment Assistance (PUA) benefits.

A telephone hearing was held on September 22, 2020. Claimant waived proper notice of the hearing. The claimant participated personally. Pamela Douglas, mother of claimant and his employer, also testified. The administrative law judge took official notice of the administrative records.

## ISSUE:

Is the claimant eligible for Pandemic Unemployment Assistance?

## **FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: In March 2020, the United States declared a public health emergency based on the COVID-19 pandemic. Claimant filed a claim for state unemployment insurance benefits with an effective date of December 29, 2019. He filed an additional claim effective March 15, 2020 after separating from Sunnyside Bar and Grill. Claimant exhausted regular state funded unemployment insurance benefits, Pandemic Emergency Unemployment Compensation (PEUC) and extended benefits (EB).

Claimant has also worked as a manager for Sweets on Main, a seasonal restaurant. Claimant applied for Pandemic Unemployment Assistance on April 10, 2020. Claimant applied because Sweets on Main did not open as expected on April 1, 2020. Sweets on Main delayed its opening until May due to COVID-19, and while it has been open, it has been operating at 50% capacity. As a result, the employer has not made sufficient profit to warrant bringing claimant back to work.

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

For the reasons set forth below, the administrative law judge finds that claimant is not eligible for PUA benefits.

The Coronavirus Aid, Relief, and Economic Security 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 issue to be determined here is whether claimant is a "covered individual" within the meaning of applicable law.

Section 2102(a)(3) defines individuals who are eligible for PUA benefits.

- (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).

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 626.2(t) defines an unemployed self-employed individual as follows:

(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 626.5(b) and (c) provide:

(b) Unemployed self-employed individual. The unemployment of an unemployed self-employed 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 not the result of a longer chain of events precipitated or exacerbated by the disaster. 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.

The administrative law judge has reviewed the facts and applicable laws carefully, and although the administrative law judge is very sympathetic to claimant's situation, he does not meet the definition of an unemployed worker who is entitled to PUA benefits under the law, as outlined above. Claimant's seasonal employer, Sweets on Main, has operated in light of the pandemic, but at a lesser capacity. The claimant is not unemployed due to the pandemic, although it may be the result of a longer chain of events precipitated or exacerbated by COVID-19. The request for Pandemic Unemployment Assistance is denied.

## **DECISION:**

The Iowa Workforce Development decision dated September 2, 2020 that determined claimant was not eligible for federal Pandemic Unemployment Assistance (PUA) is affirmed.

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Jennifer L. Beckman Administrative Law Judge Unemployment Insurance Appeals Bureau Iowa Workforce Development 1000 East Grand Avenue Des Moines, Iowa 50319-0209 Fax 515-478-3528

September 30, 2020

Decision Dated and Mailed

jlb/sam