# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

LAURA A PENCE

Claimant

**APPEAL NO. 08A-UI-03404-LT** 

ADMINISTRATIVE LAW JUDGE DECISION

IOWA WORKFORCE
DEVELOPMENT DEPARTMENT

OC: 01/20/08 R: 02 Claimant: Appellant (1)

Iowa Code § 96.3(7) - Recovery of Benefit Overpayment Iowa Code § 96.3(4) and (5) – Determination of Benefits

#### STATEMENT OF THE CASE:

The claimant filed a timely appeal from the March 26, 2008, reference 01, decision that found the claimant overpaid \$91.00 for the eight weeks ending March 15, 2008 because of a redetermination of benefits without having held a fact-finding interview pursuant to 871 IAC 24.9(2)b. After due notice was issued, a telephone conference hearing was held on April 22, 2008. Claimant participated.

## **ISSUE:**

The issue is whether claimant is overpaid benefits.

#### FINDINGS OF FACT:

Having heard the testimony and having reviewed the evidence in the record, the administrative law judge finds: The administrative record reflects claimant was credited with gross wages of \$1,009.50 from Hammond Boatworks Inc (employer account number 347725) during the fourth quarter of 2006. Claimant has never worked for this employer. The deletion of those wages changed her weekly benefit amount (WBA) from \$346.00 to \$335.00. This resulted in an overpayment of benefits by \$11.00 for each of the seven weeks ending March 8, 2008 and \$14.00 for the one week ending March 15, 2008.

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

For the reasons that follow, the administrative law judge concludes the claimant was overpaid benefits because of a redetermination of wages.

# Iowa Code § 96.4-4 provides:

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

4. The individual has been paid wages for insured work during the individual's base period in an amount at least one and one-quarter times the wages paid to the individual during that quarter of the individual's base period in which the individual's wages were highest; provided that the individual has been paid wages for insured work totaling at least three and five-tenths percent of the statewide average annual wage for insured work, computed for the preceding calendar year if the individual's benefit year begins on or after the first full week in July and computed for the second preceding calendar year if the individual's benefit year begins before the first full week in July, in that calendar quarter in the individual's base period in which the individual's wages were highest, and the individual has been paid wages for insured work totaling at least one-half of the amount of wages required under this subsection in the calendar quarter of the base period in which the individual's wages were highest, in a calendar quarter in the individual's base period other than the calendar quarter in which the individual's wages were highest. The calendar quarter wage requirements shall be rounded to the nearest multiple of ten dollars.

If the individual has drawn benefits in any benefit year, the individual must during or subsequent to that year, work in and be paid wages for insured work totaling at least two hundred fifty dollars, as a condition to receive benefits in the next benefit year.

# Iowa Code § 96.3-4 provides:

4. Determination of benefits. With respect to benefit years beginning on or after July 1, 1983, an eligible individual's weekly benefit amount for a week of total unemployment shall be an amount equal to the following fractions of the individual's total wages in insured work paid during that quarter of the individual's base period in which such total wages were highest; the director shall determine annually a maximum weekly benefit amount equal to the following percentages, to vary with the number of dependents, of the statewide average weekly wage paid to employees in insured work which shall be effective the first day of the first full week in July:

If the number of dependents is:	The weekly benefit amount shall equal the following fraction of high quarter wages:	Subject to the following maximum percentage of the statewide average weekly wage.
0	1/23	53%
1	1/22	55%
2	1/21	57%
3	1/20	60%
4 or more	1/19	65%

The maximum weekly benefit amount, if not a multiple of one dollar shall be rounded to the lower multiple of one dollar. However, until such time as sixty-five percent of the statewide average weekly wage exceeds one hundred ninety dollars, the maximum weekly benefit amounts shall be determined using the statewide average weekly wage computed on the basis of wages reported for calendar year 1981. As used in this section "dependent" means dependent as defined in section 422.12, subsection 1, paragraph "c", as if the individual claimant was a taxpayer, except that an individual claimant's nonworking spouse shall be deemed to be a dependent under this section. "Nonworking spouse" means a spouse who does not earn more than one hundred twenty dollars in gross wages in one week.

Since the wages from Hammond Boatworks Inc were improperly credited to claimant in the fourth quarter of 2006, those wages were properly deleted and the WBA was correctly redetermined. In addition, the calculation of the resulting overpayment of benefits was also correct.

Iowa Code § 96.3-7 provides:

7. Recovery of overpayment of benefits. 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.

If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The administrative law judge concludes that the claimant has been overpaid unemployment insurance benefits in the amount of \$91.00 pursuant to lowa Code § 96.3(7) because of the deletion of erroneous wage credits.

### **DECISION:**

The March 26, 2008, reference 01, representative's decision is affirmed. Claimant was overpaid benefits in the amount of \$91.00 for the eight-week period ending March 15, 2008.

Dévon M. Lewis Administrative Law Judge	
Decision Dated and Mailed	
dml/pjs	