

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

**PATRICK T SCHAFER**  
Claimant

**MENARD INC**  
Employer

**APPEAL 22A-UI-01099-S2-T**  
**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 10/17/21**  
**Claimant: Appellant (1)**

Iowa Code § 96.4(3) – Ability to and Availability for Work  
Iowa Code § 96.5(2)a – Discharge for Misconduct  
Iowa Code § 96.5(1) – Voluntary Quit

**STATEMENT OF THE CASE:**

The claimant filed an appeal from the December 1, 2021, (reference 01) unemployment insurance decision that denied benefits based upon his voluntary quit. The parties were properly notified about the hearing. A telephone hearing was held on February 2, 2022. Claimant Patrick T. Schafer participated and testified. Employer Menard, Inc. participated through senior human resources coordinator Emily Conklin.

**ISSUES:**

Did claimant voluntarily quit the employment with good cause attributable to employer?  
Is claimant able to and available for work?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed full-time as an industrial mechanic from July 25, 2018, until his employment ended on October 19, 2021.

On September 24, 2020, claimant sustained a work-related injury to his arm. As a result of the injury, claimant underwent surgery and received indefinite lifting restrictions. Employer accommodated the restrictions by having claimant perform more supervisory duties that required less physical work.

Claimant resigned his employment effective per the terms of a settlement agreement in claimant's workers' compensation case against employer. On October 16, 2021, employer informed claimant that would be his last day of employment. The reason claimant quit his employment was the settlement agreement. Employer had continuing work available when claimant resigned.

## REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes claimant's separation from the employment was without good cause attributable to the employer.

Iowa Code section 96.5(1) provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

While there is no Iowa case law on point, other states have addressed the situation of a voluntary quit in the context of a workers' compensation settlement. In *Edward v Sentinel Management Co.*, 611 N.W.2d 366 (Minn. App. 2000), the claimant resigned as part of a workers' compensation settlement package. The Minnesota court denied benefits, noting that the claimant could have continued working while pursuing his claim. The evidence in the case established that the claimant could still perform his work and was doing so while the negotiations continued. The Minnesota court found the situation analogous to a person negotiating for early retirement while work was still available. In *Larson v. Michigan Employment Sec. Com'n*, 140 N.W.2d 777 (Michigan App. 1966), the Michigan court allowed benefits to a severely injured worker who could not perform his former duties and for whom the alternatives were remaining employed with no income or resigning in order to receive income. Iowa administrative law judges follow these lines of analysis and make similar distinctions.

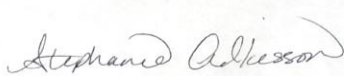
The evidence in the case at hand establishes that the claimant continued to be able to perform work for the employer while pursuing his workers' compensation claim, but voluntarily quit as part of the workers' compensation settlement. Claimant could have rejected any settlement requiring a voluntarily resignation and litigated his entitlement to workers' compensation benefits. Based on the evidence in the record and application of the appropriate law, the administrative law judge concludes that the claimant voluntarily quit the employment without good cause attributable to the employer. Accordingly, he is disqualified for benefits until he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible.

Because the separation is disqualifying, the issue of whether claimant is able to and available for work is moot.

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**DECISION:**

The December 1, 2021, (reference 01) unemployment insurance decision is affirmed. The claimant voluntarily left his employment without good cause attributable to the employer. Benefits are withheld until such time as he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible. The issue of whether claimant is able to and available for work is moot.



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Stephanie Adkisson  
Administrative Law Judge  
Unemployment Insurance Appeals Bureau  
1000 East Grand Avenue  
Des Moines, Iowa 50319-0209  
Fax (515)478-3528

February 23, 2022  
Decision Dated and Mailed

sa/mh