# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

**JOHN F FOX** 

Claimant

**APPEAL 20A-UI-04040-CL-T** 

ADMINISTRATIVE LAW JUDGE DECISION

MAINSTREAM LIVING INC

Employer

OC: 03/22/20

Claimant: Respondent (2)

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

Iowa Admin. Code r. 871-24.23(26) - Able & Available - Availability Disqualifications

Iowa Code § 96.19(38)a & b – Total and Partial Unemployment

Iowa Admin. Code r. 871-24.22(2)i(3) - Benefit Eligibility - On-call Wage Credits

Iowa Code § 96.3(7) – Recovery of Benefit Overpayment

PL 116-136, Sec. 2104(b) – Federal Pandemic Unemployment Compensation

## STATEMENT OF THE CASE:

On May 14, 2020, the employer filed an appeal from the May 12, 2020, (reference 01) unemployment insurance decision that allowed benefits based on a short-term layoff. The parties were properly notified about the hearing. A telephone hearing was held on June 1, 2020. Claimant participated. Employer participated through human resource director Marcanne Lynch.

# **ISSUES:**

Is the claimant totally, partially, or temporarily unemployed?
Is the claimant able to and available for work?
Is the claimant still employed at the same hours and wages?
Was the claimant overpaid unemployment insurance benefits?
Is the claimant eligible for Federal Pandemic Unemployment Compensation?

## FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant began working for employer on April 13, 2009. Claimant last worked as a direct support professional. Claimant worked on a part-time, PRN basis during the last two years.

Claimant has a history of asthma, high blood pressure, and a bad right knee and is 70 years old. Claimant told his supervisor he should not work for a while due to being high risk for complications if he becomes ill with COVID 19. Therefore, claimant has not worked for employer since March 17, 2020, although work is available. Employer does not have opportunities for remote work.

Since filing this claim with an effective date of March 22, 2020, claimant has received regular, state-funded unemployment insurance benefits for the 10 weeks ending May 30, 2020, in the gross, total amount of \$850.00. Claimant also received Federal Pandemic Unemployment Compensation (FPUC) for the nine weeks ending May 30, 2020, for the gross, total amount of \$5,400.00.

#### REASONING AND CONCLUSIONS OF LAW:

The first issue is whether claimant is eligible for regular, state-funded unemployment insurance benefits based on his employment status.

Iowa Code section 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 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(2)i(3) provides:

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.

- (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....
- i. On-call workers.
- (3) An individual whose wage credits earned in the base period of the claim consist exclusively of wage credits by performing on-call work, such as a banquet worker, railway worker, substitute school teacher or any other individual whose work is solely on-call work during the base period, is not considered an unemployed individual within the meaning of lowa Code section 96.19(38)"a" and "b." An individual who is willing to accept only on-call work is not considered to be available for work.

Because claimant agreed to work PRN or on an "as needed" basis two years ago, his base period consists entirely of on-call wages. Therefore, claimant cannot be considered to be unemployed within the meaning of state law. When an individual is hired to work on-call, the implied agreement is that they will only work when work is available and that work will not be regularly available. So even if claimant were not working because employer did not have work available, he would not be considered unemployed.

In this case, work actually is available, but claimant is not working because he is limiting his availability for work due to his underlying health conditions and the COVID 19 pandemic. For this additional reason, claimant is not eligible for regular, state-funded unemployment insurance benefits.

Even though claimant is not eligible for regular unemployment insurance benefits under state law, he may be eligible for federally funded unemployment insurance benefits under the Coronavirus Aid, Relief, and Economic Security Act ("Cares Act"), Public Law 116-136. 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 (WBA) under the Federal Pandemic Unemployment Compensation (FPUC) program if he or she is eligible for such compensation for the week claimed. Claimant must apply for PUA, as noted in the instructions provided in the "Note to Claimant" below.

## **OVERPAYMENT**

Because claimant is not eligible for regular, state-funded unemployment insurance benefits, the next issue is whether he was overpaid benefits prior to the denial decision being issued.

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.
- b. (1) 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 § 96.8, subsection 5. . . .

The administrative law judge concludes that the claimant has been overpaid unemployment insurance benefits in the amount of \$850.00 pursuant to Iowa Code § 96.3(7) as claimant was not eligible for benefits during the 10 weeks ending May 30, 2020.

The administrative law judge additionally concludes claimant has been overpaid Federal Pandemic Unemployment Compensation.

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

- (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...

Here, the claimant is disqualified from receiving regular unemployment insurance (UI) benefits. Accordingly, this also disqualifies claimant from receiving Federal Pandemic Unemployment Compensation (FPUC) at this time. In addition to the regular UI benefits claimant received, he

also received an additional \$5,400.00 in FPUC benefits for the nine week period ending May 30, 2020. Claimant is required to repay those benefits.

#### **DECISION:**

The May 12, 2020, (reference 01) unemployment insurance decision is reversed. The claimant is not considered unemployed or available for work under lowa law. Regular unemployment insurance benefits funded by the state of lowa are denied. Claimant is overpaid regular, state-funded unemployment insurance benefits in the amount of \$850.00. Claimant is overpaid Federal Pandemic Unemployment Compensation (FPUC) in the amount of \$5,400.00. Claimant will have to repay the benefits unless he applies for and is approved for PUA as directed in the instructions below.

Christine A. Louis

Administrative Law Judge Unemployment Insurance Appeals Bureau 1000 East Grand Avenue Des Moines, Iowa 50319-0209

Fax (515)478-3528

June 17, 2020\_

**Decision Dated and Mailed** 

#### cal/scn

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 due to disqualifying separations, 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>.