

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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**ELIZABETH A MURDACH**  
Claimant

**SHORT STAFFED INC**  
Employer

**APPEAL 16A-UI-12719-TN-T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 10/30/16  
Claimant: Respondent (6)**

Iowa Code §96.5(1) – Voluntary Quit  
Iowa Code § 17A.12(3) – Default Decision  
Iowa Admin. Code r. 871-26.14(7) – Dismissal of Appeal on Default

**STATEMENT OF THE CASE:**

The employer/appellant, Short Staffed Inc., filed an appeal from the unemployment insurance decision dated November 22, 2016, reference 01, which determined that the claimant, Elizabeth Murdach, was eligible for unemployment insurance benefits after a separation from employment. Notices of hearing were mailed to the parties' last known addresses of record for a telephone hearing scheduled for December 15, 2016 at 9:00 a.m. A review of the Appeals Bureau's conference call system indicates that the appellant employer failed to respond to the hearing notice and provide a telephone number where it could be reached for the scheduled hearing. The claimant did not respond to the hearing notice and provide a telephone number where he could be reached for the scheduled hearing. Therefore, no hearing was held.

**ISSUE:**

Should the appeal be dismissed based on the appellant's failure to appear and participate?

**FINDINGS OF FACT:**

The parties were properly notified of the scheduled hearing for this appeal. The appellant failed to provide a telephone number at which it could be reached for the scheduled hearing as required by the hearing notice. As a result, no hearing was held. Official notice of the Clear2there hearing control screen is taken to establish that appellant did not call or register online with the Appeals Bureau to provide a telephone number and/or name of a representative.

The front page of the hearing notice instruction specifically advises parties:

**You must register for the hearing immediately!** You must register your phone number and the name(s) and phone numbers(s) of any witness(es) with the Appeals Bureau. If you do not register, the judge will not be able to call you or your witnesses for the hearing.

The back page of the hearing notice provides further instruction and warning:

If you do not participate in the hearing, the judge may dismiss the appeal or issue a decision without considering your evidence or witness(es).

As a *courtesy* to the appellant the record was left open for a minimum grace period of more than 60 minutes after the hearing start time to give the appellant a *reasonable* opportunity to participate. Allowing additional time would prejudice the non-appealing party for appearing in a timely manner. Holding the appellant in default for failure to appear and participate during a 15-minute window after the hearing start time is reasonable considering the time allocated for each unemployment hearing. The additional time allowed here was more than reasonable under the circumstances.

The unemployment insurance decision had concluded that the claimant was eligible for unemployment insurance benefits.

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

The Iowa Administrative Procedure Act at Iowa Code § 17A.12(3) provides in pertinent part:

If a party fails to appear or participate in a contested case proceeding after proper service of notice, the presiding officer may, if no adjournment is granted, enter a default decision or proceed with the hearing and make a decision in the absence of the party. ... If a decision is rendered against a party who failed to appear for the hearing and the presiding officer is timely requested by that party to vacate the decision for good cause, the time for initiating a further appeal is stayed pending a determination by the presiding officer to grant or deny the request. If adequate reasons are provided showing good cause for the party's failure to appear, the presiding officer shall vacate the decision and, after proper service of notice, conduct another evidentiary hearing. **If adequate reasons are not provided showing good cause for the party's failure to appear, the presiding officer shall deny the motion to vacate.**

Agency rules at Iowa Admin. Code r. 26.14(7) provide:

If a party has not responded to a notice of telephone hearing by providing the appeals bureau with the names and telephone numbers of the persons who are participating in the hearing **by the scheduled starting time of the hearing** or is not available at the telephone number provided, the presiding officer may proceed with the hearing. If the appealing party fails to provide a telephone number or is unavailable for the hearing, the presiding officer may decide the appealing party is in default and dismiss the appeal as provided in Iowa Code § 17A.12(3). The record may be reopened if the absent party makes a request to reopen the hearing under subrule 26.8(3) and shows good cause for reopening the hearing.

a. If an absent party responds to the hearing notice while the hearing is in progress, the presiding officer shall pause to admit the party, summarize the hearing to that point, administer the oath, and resume the hearing.

b. If a party responds to the notice of hearing after the record has been closed and any party which has participated is no longer on the telephone line, the presiding officer shall not take the evidence of the late party. Instead, the presiding officer shall inquire ex parte as to why the party was late in responding to the notice of hearing. For good cause shown, the presiding officer shall reopen the record and cause further notice of

hearing to be issued to all parties of record. **The record *shall not* be reopened if the presiding officer does not find good cause for the party's late response to the notice of hearing.**

**c. Failure to read or follow the instructions on the notice of hearing *shall not* constitute good cause for reopening the record.** (Emphasis added.)

The Iowa Supreme Court stated that a default should not be set aside for ordinary negligence or want of ordinary care. Defaults should not be set aside where the movant ignores plain instruction with ample opportunity to comply. See *Houlihan v. Emp't Appeal Bd.*, 545 N.W.2d 863 (Iowa 1996). Here the plain language instructions on the hearing notice require every party to register a telephone number where he or she can be reached for the hearing. The second part of that directive requires every participant to be available at the number provided at the date and time of the hearing. If the party misses or does not receive the call from the administrative law judge, he or she may call the telephone numbers on the hearing notice for further assistance.

Due process requires notice and an opportunity to be heard, both of which were provided to each party. *The rule does not provide exceptions for good intentions and/or a party contacting the Appeals Bureau within a 'reasonable' or certain amount of time after the hearing is scheduled.* It is assumed an appellant intends to participate in the hearing simply by the fact that an appeal is filed, but the appellant's responsibility does not end there. Each party is required to follow the prominent specific written instructions printed on the hearing notice. The appellant employer filed the appeal and is held solely responsible for going forward with the case in a prompt and deliberate manner. The rule holds an appellant in default if not present *at the start* of hearing. As a courtesy, this appellant was granted an additional 60-minute grace period not required by statute or rule. Here, notwithstanding notice, opportunity and additional time, the appellant employer failed to prosecute the case at the appointed date and time without providing a good-cause reason for the delay or failure to do so. Accordingly, the appellant is in default and the appeal shall be dismissed. Iowa Code § 17A.12(3) and Iowa Admin. Code r. 26.14(7). The unemployment insurance decision remains in force and effect.

If the appellant employer does not intend to pursue this appeal, it need not take any action. Or, the appellant employer may appeal the decision, within 15 days after the mailing date of this decision, directly to the Employment Appeal Board at the address listed on the front page of this decision. The appellant employer also has the option, within 15 days after the mailing date of this decision, to make a written request to the administrative law judge that the hearing be reopened. The written request must be submitted to the administrative law judge at the address or fax number listed at the end of this decision and must explain the emergency or other good cause that prevented the appellant from participating in the hearing at its scheduled time.

**DECISION:**

The unemployment insurance decision issued on November 22, 2016, reference 01, allowing benefits remains in effect as the appellant employer is in default. The appeal is dismissed.

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Terence Nice  
Administrative Law Judge  
Unemployment Insurance Appeals Bureau  
Iowa Workforce Development  
1000 East Grand Avenue  
Des Moines, Iowa 50319-0209  
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Decision Dated and Mailed

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