

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

**SHON M WIGNALL**  
Claimant

**KEARANA INC**  
Employer

**APPEAL 22A-UI-06457-DZ-T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**OC: 03/15/20**  
**Claimant: Appellant (5)**

Iowa Code § 96.3(7) – Recovery of Benefit Overpayment  
Iowa Code § 96.19(38) – Total, Partial, Temporary Unemployment  
Iowa Code § 96.1A(37) – Total, Partial, Temporary Unemployment  
PL 116-136, Sec. 2107 – Pandemic Emergency Unemployment Compensation

**STATEMENT OF THE CASE:**

Shon M Wignall, the claimant/appellant, filed an appeal from the March 4, 2022, (reference 06) unemployment insurance decision that concluded she was overpaid Pandemic Emergency Unemployment Compensation (PEUC) benefits in the gross amount of \$5,644.00 because she did not report and/or incorrectly reported wages earned with this employer. The parties were properly notified of the hearing. A telephone hearing was held on April 25, 2022. Ms. Wignall participated personally. The department did not participate in the hearing. The administrative law judge took official notice of the administrative record.

**ISSUES:**

Did Ms. Wignall correctly report wages earned?  
Has Ms. Wignall been overpaid PEUC benefits?

**FINDINGS OF FACT:**

Having reviewed the evidence in the record, the administrative law judge finds: Ms. Wignall began working for the employer Kearana Inc, doing business as Casa Las Glorious, in November 2018. She worked as a part-time server. On, or about, September 13, 2020, Ms. Wignall gave the employer a two-week notice of her intention to resign. Ms. Wignall was going to be helping a friend move out of state, so she quit. Ms. Wignall did not have a new job when she quit. Ms. Wignall's employment ended on September 27, 2020.

In relevant part, Ms. Wignall filed weekly continued claims for 20 weeks between October 25, 2020 and March 13, 2021. For each of those weeks, Ms. Wignall reported her weekly earnings. Based on the wages she reported, IWD paid Ms. Wignall PEUC benefits in the gross amount of \$5,644.00 for those 20 weeks. IWD conducted an audit of Ms. Wignall's wages and asked the employer to report Ms. Wignall's gross weekly wages to IWD. The employer reported that Ms. Wignall earned wages in the gross amount of \$0.00 for those 20 weeks.

Section 2107 of the CARES Act created a new temporary federal program called Pandemic Emergency Unemployment Compensation (PEUC) that initially provided up to 13 additional weeks of benefits to individuals who have exhausted their regular unemployment compensation entitlement.

Almost two years after she filed her initial claim effective March 15, 2020, and over a year and four months after she had already received REGULAR (state) UI benefits, IWD issued a March 3, 2022, (reference 04) decision finding Ms. Wignall not eligible for REGULAR UI benefits because of a September 27, 2020 quit from work. Ms. Wignall appealed the decision to the Iowa Workforce Development Appeals Bureau. The administrative law judge's decision in Appeal 22A-UI-06449-DZ-T affirmed the reference 04 decision.

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

For the reasons that follow, the administrative law judge concludes Ms. Wignall has been overpaid PEUC benefits.

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) (a) 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.

PL 116-136 Sec 2107 provides in pertinent part:

### **PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.**

#### **(a) FEDERAL-STATE AGREEMENTS. —**

(1) IN GENERAL. — Any State which desires to do so may enter into and participate in an agreement under this section with the Secretary of Labor (in this section referred to as the "Secretary"). Any State which is a party to an agreement under this section may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

#### **(2) PROVISIONS OF AGREEMENT. —**

Any agreement under paragraph (1) shall provide that the State agency of the State will make payments of pandemic emergency unemployment compensation to individuals who—

(A) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before July 1, 2019);

(B) have no rights to regular compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(D) are able to work, available to work, and actively seeking work.

Since Ms. Wignall is not eligible for REGULAR (state) UI benefits because of a September 27, 2020 quit from work, she is also not eligible for PEUC benefits. Because Ms. Wignall received PEUC benefits but she is not eligible for PEUC benefits, Ms. Wignall has been overpaid PEUC benefits in the gross amount of \$5,644.00 for 20 weeks between October 25, 2020 and March 13, 2021, which should be repaid.

**DECISION:**

The March 4, 2022, (reference 06) unemployment insurance decision is MODIFIED WITH NO CHANGE IN EFFECT. M. Wignall has been overpaid PEUC benefits in the gross amount of \$5,644.00, which must be repaid.



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

May 10, 2022  
Decision Dated and Mailed

dz/scn

**NOTE TO MS. WIGNALL:**

- This decision determines you have been overpaid PEUC 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.
- **You may also request a waiver of this overpayment 1) by filing an appeal to the EAB, 2) applying for a waiver online, or 3) applying for a waiver in writing by mail.**
- To check on your waiver application call **888-848-7442** or email [iwduiatax@iwdiowa.gov](mailto:iwduiatax@iwdiowa.gov)
- The **online request form** is available on the Iowa Workforce Development website at: <https://www.iowaworkforcedevelopment.gov/federal-unemployment-insurance-overpayment-recovery>
- The **written request** must include the following information:
  - Your name & address.
  - Decision number/date of decision.
  - Dollar amount of overpayment requested for waiver.
  - Relevant facts that you feel would justify a waiver.
- The request should be sent to:

Iowa Workforce Development  
Overpayment waiver request  
1000 East Grand Avenue  
Des Moines, IA 50319
- If this decision becomes final and you are not eligible for a waiver, you will have to repay the benefits you received.