

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

JORDAN T WULF
Claimant

APPEAL NO: 12A-UI-12025-ST

**ADMINISTRATIVE LAW JUDGE
DECISION**

JEREMY PATTERSON HOUSE MOVING INC
Employer

OC: 07/08/12
Claimant: Appellant (2)

Section 96.3-5 – Business Closing
871 IAC 24.29 – Definition of Closing

STATEMENT OF THE CASE:

The claimant appealed a department decision dated September 28, 2012, reference 02, that denied his request for business closing benefits effective July 8, 2012. A telephone hearing was scheduled for October 31, 2012. The claimant participated. The employer did not participate.

ISSUE:

Whether claimant was laid off due to a business closing.

FINDINGS OF FACT:

The administrative law judge, having considered the evidence in the record finds: The claimant worked for the employer as a full-time office manager house from May 1, 2009 to July 9, 2012. The employer alerted her on June 18 that it might be going out of business. Claimant observed potential buyers looking at the office building and warehouse.

During the latter period of employment, the employer used a Louisiana payroll company to pay claimant. Claimant learned the Iowa business owners sold their Washington, Iowa, residence and moved to Louisiana. She understood the employer was closing the business due to financial considerations.

The employer texted claimant on July 9 after work she need not return, and thanking her for her service. She went to the office the next day to turn in her key. The employer had boxed-up her personal effects and she noted all of the office equipment was gone.

The employer failed to respond to the hearing notice.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code Section 96.3-5 provides:

5. Duration of benefits. The maximum total amount of benefits payable to an eligible individual during a benefit year shall not exceed the total of the wage credits accrued to the individual's account during the individual's base period, or twenty-six times the individual's weekly benefit amount, whichever is the lesser. The director shall maintain a separate account for each individual who earns wages in insured work. The director shall compute wage credits for each individual by crediting the individual's account with one-third of the wages for insured work paid to the individual during the individual's base period. However, the director shall recompute wage credits for an individual who is laid off due to the individual's employer going out of business at the factory, establishment, or other premises at which the individual was last employed, by crediting the individual's account with one-half, instead of one-third, of the wages for insured work paid to the individual during the individual's base period. Benefits paid to an eligible individual shall be charged against the base period wage credits in the individual's account which have not been previously charged, in the inverse chronological order as the wages on which the wage credits are based were paid. However if the state "off indicator" is in effect and if the individual is laid off due to the individual's employer going out of business at the factory, establishment, or other premises at which the individual was last employed, the maximum benefits payable shall be extended to thirty-nine times the individual's weekly benefit amount, but not to exceed the total of the wage credits accrued to the individual's account.

The administrative law judge concludes the claimant was laid off for lack of work due to a business permanently closed on July 9, 2012.

The evidence establishes claimant's layoff was due to the employer closing its Iowa business and moving to Louisiana.

DECISION:

The department decision dated September 28, 2012, reference 02, is reversed. The claimant was laid off on July 9, 2012, due to a business closing. Business closing benefits are allowed, provided the claimant is otherwise eligible.

Randy L. Stephenson
Administrative Law Judge

Decision Dated and Mailed

rls/kjw