IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

MARIA E ZAVALA Claimant

APPEAL 20A-UI-10606-DB-T

ADMINISTRATIVE LAW JUDGE DECISION

REMBRANDT ENTERPRISES INC Employer

> OC: 06/14/20 Claimant: Respondent (2)

Iowa Code § 96.4(3) – Able to and Available for Work Iowa Code § 96.19(38)B – Total, Partial, and Temporary Unemployment Iowa Code § 96.3(7) – Overpayment of Benefits PL 116-136 Section 2104(B) – Federal Pandemic Unemployment Compensation

STATEMENT OF THE CASE:

The employer/appellant filed an appeal from the August 25, 2020 (reference 01) unemployment insurance decision that found claimant was eligible for unemployment benefits due to a short term layoff. The parties were properly notified of the hearing. A telephone hearing was held on October 19, 2020. The claimant, Maria E. Zavala, did not participate. The employer, Rembrandt Enterprises Inc., participated through witness Yamilex Iraheta. The administrative law judge took administrative notice of the claimant's unemployment insurance benefits records.

ISSUES:

Is the claimant eligible for total, partial, or temporary unemployment benefits? Is the claimant able to and available for work? Is the claimant overpaid benefits? Is the claimant overpaid Federal Pandemic Unemployment Compensation?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant started working for this employer on July 9, 2008. She is still employed to date. She works full-time in production. Claimant was on a medical leave of absence to quarantine due to a possible COVID 19 exposure from June 8, 2020 through June 25, 2020. There was work available if she would have been available for work. There was no short-term layoff of lack of production.

Claimant's administrative records establish that she has received \$1,046.00 in unemployment insurance benefits funded by the State of Iowa since filing her initial claim for benefits effective June 14, 2020. Claimant has also received \$1,200.00 in Federal Pandemic Unemployment Compensation benefits since June 14, 2020.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes as follows:

Iowa Code § 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", subparagraph (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 Code § 96.19(38)b provides:

As used in this chapter, unless the context clearly requires otherwise:

38. "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.

In this case, the claimant was not on a short-term layoff and was not partially unemployed. She was totally unemployed because she was on a medical leave of absence due to her quarantine. As such, she was not able to and available for work. Regular unemployment insurance benefits funded by the State of Iowa are denied effective June 14, 2020 due to the claimant not being able to and available for work. Because benefits are denied, the issues of overpayment of benefits must be addressed.

Iowa Code § 96.3(7)a-b, as amended in 2008, provides:

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.

The unemployment insurance law provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for those benefits, even though the claimant acted in good faith and was not otherwise at fault. In this case, the claimant received benefits but has been subsequently determined to be ineligible for those benefits. As such, the claimant is overpaid regular unemployment insurance benefits funded by the State of Iowa of \$1,046.00 from June 14, 2020 through July 4, 2020 and must repay the agency those benefits.

The next issue is whether the claimant is overpaid Federal Pandemic Unemployment Compensation benefits. The administrative law judge finds that she is and that those must be repaid to the agency.

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 benefits. Accordingly, this also disqualifies claimant from receiving Federal Pandemic Unemployment Compensation. In addition to the regular benefits claimant received, the claimant also received an additional \$1,200.00 in Federal Pandemic Unemployment Compensation benefits from June 14, 2020 through July 4, 2020. Claimant is overpaid and required to repay those benefits as well.

DECISION:

The August 25, 2020 (reference 01) decision is reversed. Claimant was not able to and available for work. Regular unemployment insurance benefits funded by the State of Iowa are denied effective June 14, 2020.

The claimant has been overpaid regular unemployment insurance benefits of \$1,046.00 for the weeks between June 14, 2020 and July 4, 2020 and is obligated to repay the agency those benefits.

The claimant has also been overpaid Federal Pandemic Unemployment Compensation benefits in addition to regular unemployment insurance benefits. Claimant is overpaid \$1,200.00 in Federal Pandemic Unemployment Compensation benefits and is obligated to repay the agency those benefits as well.

Note to Claimant

- This decision determines you are not eligible for regular unemployment insurance benefits funded by the State of Iowa under state law. 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.
- If you do not qualify for regular unemployment insurance benefits funded by the State of lowa under state law, you may qualify for benefits under the Federal Pandemic Unemployment Assistance ("PUA") section of the Coronavirus Aid, Relief, and Economic Security Act ("Cares Act") that discusses eligibility for claimants who are unemployed due to the Coronavirus.
- You will need to apply for PUA to determine your eligibility under the program. For additional information on how to apply for PUA go to: <u>https://www.iowaworkforcedevelopment.gov/pua-information</u>.
- If you are denied regular unemployment insurance benefits funded by the State of Iowa and wish to apply for PUA, please visit: <u>https://www.iowaworkforcedevelopment.gov/pua-information</u> and scroll down to "Submit Proof Here." You will fill out the questionnaire regarding the reason you are not working and upload a picture or copy of your fact-finding decision. Your claim will be reviewed for PUA eligibility. If you are eligible for PUA, you will also be eligible for Federal Pandemic Unemployment Compensation (FPUC) until the program expires. Back payments PUA benefits may automatically be used to repay any overpayment of state benefits. If this does not occur on your claim, you may repay any overpayment by visiting: https://www.iowaworkforcedevelopment.gov/unemployment-insurance-overpayment-and-recovery.

• If you have applied and have been approved for PUA benefits, this decision will **not** negatively affect your entitlement to PUA benefits.

Dawn Morucher

Dawn Boucher Administrative Law Judge

October 21, 2020 Decision Dated and Mailed

db/scn