

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

MAKAYLA ALEXANDER
Claimant

APPEAL NO. 14A-UI-03840-JTT

**ADMINISTRATIVE LAW JUDGE
DECISION**

PIONEER HI-BRED INTERNATIONAL INC
Employer

OC: 02/16/14
Claimant: Appellant (2)

Section 96.3(5) – Duration of Benefits
871 IAC 24.29 – Business Closing

STATEMENT OF THE CASE:

Makayla Alexander filed a timely appeal from the April 1, 2014, reference 01, decision that denied her request to redetermine her benefit eligibility as being based on layoff due to a business closing. After due notice was issued, a hearing was held on April 30, 2014. Ms. Alexander participated and presented additional testimony from Kent Berte, Senior Researcher. Exhibits A and B were received into evidence.

ISSUE:

Whether the claimant was laid off pursuant to a business closing.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Makayla Alexander was employed by Pioneer Hi-Bred International, Inc., on a full-time basis until January 31, 2014 when the employer laid her off. Ms. Alexander worked at the employer's Summer Seed Production facility located at 1215 Montana Road in Boone. Ms. Alexander was laid off because the employer decided to close the facility in Boone and disperse the work previously performed at that location to facilities located in Algona, Nebraska, Georgia, and Oregon. The layoff did not occur in the context of the sale of the Boone property or a mere reduction in force at that location. Instead, at the end of January 2014, the employer laid off Ms. Alexander and three other employees and relocated supervisors to other facilities. Ms. Alexander's immediate supervisor, Kent Berte, Senior Researcher, was moved by the employer to its facility in Algona. Before Ms. Alexander's employment came to an end, she and other employees emptied out the Boone facility at the employer's direction.

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.

871 IAC 24.29(2) provides:

(2) Going out of business means any factory, establishment, or other premises of an employer which closes its door and ceases to function as a business; however, an employer is not considered to have gone out of business at the factory, establishment, or other premises in any case in which the employer sells or otherwise transfers the business to another employer, and the successor employer continues to operate the business.

The evidence establishes that Ms. Alexander was indeed laid off as the result of a business closing on January 31, 2014, when the employer closed its facility in Boone. Accordingly, Ms. Alexander's benefit eligibility will be redetermined as being based on a layoff due to a business closing. The request for redetermination of benefits is granted.

DECISION:

The claims deputy's decision dated April 1, 2014, reference 01, is reversed. The claimant was laid off due to a business closing and her benefits shall be determined accordingly.

James E. Timberland
Administrative Law Judge

Decision Dated and Mailed

jet/pjs