IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

STEVEN M EMERY

Claimant

APPEAL NO. 09A-UI-15754-CT

ADMINISTRATIVE LAW JUDGE DECISION

WOODSMALL ELECTRIC

Employer

OC: 09/13/09

Claimant: Appellant (2)

Section 96.5(1) – Voluntary Quit

STATEMENT OF THE CASE:

Steven Emery filed an appeal from a representative's decision dated October 15, 2009, reference 01, which denied benefits based on his separation from Woodsmall Electric. After due notice was issued, a hearing was held by telephone on November 23, 2009. Mr. Emery participated personally. The employer participated by Carmelita Stephenson, Business Manager, and Nathan Woodsmall, Operations Manager.

ISSUE:

At issue in this matter is whether Mr. Emery was separated from employment for any disqualifying reason.

FINDINGS OF FACT:

Having heard the testimony and having reviewed all of the evidence in the record, the administrative law judge finds: Mr. Emery's last period of employment with Woodsmall Electric was from August 6, 2007 until September 12, 2009. He worked full time as an apprentice electrician. He quit the employment because his paychecks bounced. He was scheduled to be paid every Friday.

On August 19, 2009, Mr. Emery was notified by his bank that his paycheck had been returned due to insufficient funds in the employer's account. On September 3, he was notified that his per diem check had bounced and on September 8, he was notified that his payroll check had bounced. He received a paycheck on September 11 and attempted to cash it that same day at both a Wal-Mart and a Hy-Vee store but both stores declined to cash it. He did not return to work after September 12 but spoke with the employer's business manager on September 15. Arrangements were made to provide him with a cashier's check for all missing wages, which was not done until September 30.

REASONING AND CONCLUSIONS OF LAW:

An individual who leaves employment voluntarily is disqualified from receiving job insurance benefits unless the quit was for good cause attributable to the employer. Iowa Code section 96.5(1). Mr. Emery quit his job because his paychecks were bouncing. The Iowa Wage Payment Collection Law requires that employees receive pay on designated pay dates. Iowa Code section 91A.5. Any financial instrument given for wages must be negotiable on the designated pay date.

Mr. Emery does not dispute that he eventually received all pay due him. However, the fact that the checks bounced meant he did not receive his pay on payday but at some later point. This constituted an unlawful working condition as provided in 871 IAC 24.26(3). The fact that he had to search for a place to cash his checks rather than using his own bank constituted an intolerable working condition as contemplated by 871 IAC 24.26(4). For these reasons, the administrative law judge concludes that Mr. Emery had good cause attributable to the employer for quitting. Accordingly, benefits are allowed.

DECISION:

The representative's decision dated October 15, 2009, reference 01, is hereby reversed. Mr. Emery quit his employment with Woodsmall Electric for good cause attributable to the employer. Benefits are allowed, provided he is otherwise eligible.

Carolyn F. Coleman
Administrative Law Judge

Decision Dated and Mailed

cfc/pjs