

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**DARNELL JONES**  
Claimant

**APPEAL NO. 13A-UI-04825-NT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**ACE AMERICAN INSURANCE COMPANY**  
Employer

**OC: 03/24/13**  
**Claimant: Appellant (1)**

Section 96.5-2-a – Discharge

**STATEMENT OF THE CASE:**

Claimant filed a timely appeal from a representative's decision dated April 22, 2013, reference 02, which denied unemployment insurance benefits finding that the claimant was discharged from work for conduct not in the best interests of the employer. After due notice was provided, a telephone hearing was held on July 9, 2013. Claimant participated. Participating for the employer were Ms. Leslie Buhler, Hearing Representative and witness, Mr. Ray Galindo, Marketing Manager.

**ISSUE:**

The issue in this matter is whether the claimant was discharged for misconduct in connection with his work.

**FINDINGS OF FACT:**

Having considered the evidence in the record, the administrative law judge finds: Darnell Jones was employed by Ace American Insurance Company from July 30, 2012 until March 18, 2013 when he was discharged for failure to maintain his insurance license. Mr. Jones was employed as a full-time territorial manager for the company and was paid by salary plus commissions. His immediate supervisor was Mr. Galindo.

Mr. Jones was aware at the time that he was hired by Ace American Insurance Company that he was required to possess and maintain a valid state insurance license in order to perform the essential functions of his job.

Mr. Jones was separated from his employment with Ace American Insurance Company on March 18, 2013 after the employer was informed by state authorities that Mr. Jones' license had been revoked by the state of Iowa. Mr. Jones indicated to the employer approximately one month prior that he believed that a letter of revocation of his license was forthcoming.

## REASONING AND CONCLUSIONS OF LAW:

The question before the administrative law judge is whether the claimant's failure to maintain his insurance licensing was misconduct sufficient to warrant the denial of unemployment insurance benefits. It was.

Iowa Code section 96.5-2-a provides:

An individual shall be disqualified for benefits:

2. Discharge for misconduct. If the department finds that the individual has been discharged for misconduct in connection with the individual's employment:

a. The individual shall be disqualified for benefits until the individual has worked in and has been paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

871 IAC 24.32(1)a provides:

Discharge for misconduct.

(1) Definition.

a. "Misconduct" is defined as a deliberate act or omission by a worker which constitutes a material breach of the duties and obligations arising out of such worker's contract of employment. Misconduct as the term is used in the disqualification provision as being limited to conduct evincing such willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior which the employer has the right to expect of employees, or in carelessness or negligence of such degree of recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer. On the other hand mere inefficiency, unsatisfactory conduct, failure in good performance as the result of inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good faith errors in judgment or discretion are not to be deemed misconduct within the meaning of the statute.

The employer has the burden of proof in establishing disqualifying job misconduct. See Iowa Code section 96.6-2. Misconduct must be substantial in order to justify a denial of unemployment insurance benefits. The focus is on deliberate or culpable acts by the employee. See Gimbel v. Employment Appeal Board, 489 N.W.2d 36, 39 (Iowa Ct. App. 1992).

In this case the claimant was discharged when he failed to maintain the required licensing that enabled him to perform the essential duties of his job as a territorial manager for this employer. Mr. Jones was aware at the time of hire that he was required to possess and maintain state insurance licensing and was discharged when his licensing was revoked by the state of Iowa and the claimant was no longer able to perform the essential functions of his job.

The claimant's separation was inextricably tied to his self-inflicted loss of his state insurance licensing. When a claimant loses required licensing because of his or her conduct, said loss is self-inflicted and disqualifying. See Cook v. Iowa Department of Job Service, 299 N.W.2d 698 (Iowa 1980). The failure to maintain the required licensing was contrary to the employer's

interests and standards of behavior and was a required job condition in the claimant's employment. The employer has sustained its burden of proof in establishing that the claimant's job separation took place under disqualifying conditions. Benefits are withheld.

**DECISION:**

The representative's decision dated April 22, 2013, reference 02, is affirmed. The claimant was discharged under disqualifying conditions. Unemployment insurance benefits are withheld until the claimant has worked in and been paid wages for insured work equal to ten times his weekly benefit amount and is otherwise eligible.

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Terence P. Nice  
Administrative Law Judge

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Decision Dated and Mailed

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