

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

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**ERIC R MESSAMAKER**  
Claimant

**APPEAL 18A-UI-06293-NM-T**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**SHOTTENKIRK WEST BURLINGTON INC**  
Employer

**OC: 05/13/18  
Claimant: Appellant (2)**

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Iowa Code § 96.5(1) – Voluntary Quitting  
Iowa Code § 96.5(2)a – Discharge for Misconduct

**STATEMENT OF THE CASE:**

The claimant filed an appeal from the June 8, 2018, (reference 02) unemployment insurance decision that denied benefits based on his voluntary quit. The parties were properly notified of the hearing. A telephone hearing was held on June 25, 2018. The claimant participated and testified. The employer participated through General Sales Manager Troy Moretz.

**ISSUE:**

Did claimant voluntarily leave the employment with good cause attributable to the employer or did employer discharge the claimant for reasons related to job misconduct sufficient to warrant a denial of benefits?

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed full time as a finance director from February 1, 2017, until this employment ended on March 12, 2018, when he was laid off due to lack of work. On March 12, 2018, claimant was notified by General Manager Troy Patterson that the company was downsizing and his position was being eliminated effective immediately. Patterson told claimant they had another open position on the sales floor or he knew of another dealership looking for a finance director. Once his position was eliminated, claimant opted to go work for the other dealership.

**REASONING AND CONCLUSIONS OF LAW:**

For the reasons that follow, the administrative law judge concludes claimant was laid off due to a lack of work. Benefits are allowed.

Iowa Code section 96.5(1) provides:

An individual shall be disqualified for benefits, regardless of the source of the individual's wage credits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

Iowa Admin. Code r. 871-24.1(113)a provides:

Separations. All terminations of employment, generally classifiable as layoffs, quits, discharges, or other separations.

a. Layoffs. A layoff is a suspension from pay status initiated by the employer without prejudice to the worker for such reasons as: lack of orders, model changeover, termination of seasonal or temporary employment, inventory-taking, introduction of laborsaving devices, plant breakdown, shortage of materials; including temporarily furloughed employees and employees placed on unpaid vacations.

On March 12, 2018, claimant's was notified his position was being eliminated due to downsizing. The employer told claimant it had a position on the sales floor, if he was interested, or it knew of another dealership looking for a finance director. Following the elimination of his position, claimant opted to go work for the other dealership. In this case, claimant was separated from employment through no fault of his own. Claimant was let go by the employer due to a lack of work. Therefore, the separation (layoff) was attributable to a lack of work by the employer. Benefits are allowed. Because of being permanently laid off from work, claimant is obligated to make at least two searches during each week benefits are claimed. As benefits are allowed, the issues of overpayment and participation are moot.

**DECISION:**

The June 8, 2018, (reference 02) unemployment insurance decision is affirmed. The claimant was permanently laid off due to a lack of work. Benefits are allowed, provided the claimant is otherwise eligible.

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Nicole Merrill  
Administrative Law Judge

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Decision Dated and Mailed

nm/rvs