

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

YUDIS K VALLADARES
Claimant

APPEAL 21A-UI-11586-LJ-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**IOWA WORKFORCE
DEVELOPMENT DEPARTMENT**

**OC: 04/04/21
Claimant: Appellant (2R)**

Iowa Code § 96.4(4)a-c – Monetary Eligibility and Subsequent Benefit Year

STATEMENT OF THE CASE:

On April 30, 2021, claimant Yudis Valladares filed an appeal from the April 23, 2021, (reference 01) unemployment insurance decision that denied benefits because of a lack of at least eight times the prior claim year's weekly benefit amount in insured wages during or after the prior claim year. After due notice was issued, a hearing was held at 3:00 p.m. on Tuesday, July 13, 2021. Claimant Yudis Valladares participated. Spanish/English interpreter Rene (ID number 12055) from CTS Language Link provided interpretation services for the hearing. The administrative law judge took official notice of the administrative record.

ISSUE:

Did the claimant earn insured wages of at least eight times the prior claim year's weekly benefit amount during or after the previous benefit year to become eligible for a second benefit year?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant's weekly benefit amount ("WBA") in the prior claim year effective April 5, 2020, is \$448.00. Claimant opened his claim for benefits because the employer he was working for, Packers Sanitation Services, informed him and other employees that the plant was going to close because of COVID-19. Additionally, at some point claimant contracted COVID-19.

Claimant has now filed a claim for benefits during a second claim year effective April 4, 2021. Claimant reported wages during his 2020 claim year totaling \$2,978.00. Claimant's wage records reflect that he has earned \$5,668.00 since the commencement of the second quarter of 2020.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant is eligible to receive benefits during the subsequent benefit year.

Effective July 2, 2017, Iowa Code section 96.4(4)a and c provides:

An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

4. a. The individual has been paid wages for insured work during the individual's base period in an amount at least one and one-quarter times the wages paid to the individual during that quarter of the individual's base period in which the individual's wages were highest; provided that the individual has been paid wages for insured work totaling at least three and five-tenths percent of the statewide average annual wage for insured work, computed for the preceding calendar year if the individual's benefit year begins on or after the first full week in July and computed for the second preceding calendar year if the individual's benefit year begins before the first full week in July, in that calendar quarter in the individual's base period in which the individual's wages were highest, and the individual has been paid wages for insured work totaling at least one-half of the amount of wages required under this paragraph in the calendar quarter of the base period in which the individual's wages were highest, in a calendar quarter in the individual's base period other than the calendar quarter in which the individual's wages were highest. The calendar quarter wage requirements shall be rounded to the nearest multiple of ten dollars.

c. If the individual has drawn benefits in any benefit year, the individual must during or subsequent to that year, work in and be paid wages for insured work totaling at least eight times the individual's weekly benefit amount, as a condition to receive benefits in the next benefit year.

The Iowa legislature has determined that, although pension may be deducted from unemployment insurance benefits as though it were wages, pension amounts do not constitute insured wages for work performed as it is not taxable to the employer for that purpose. Only wages paid for insured (unemployment insurance taxable) work is counted towards establishing eligibility for a second benefit year. Although the administrative law judge recognizes claimant's frustration with having pension amounts deducted as though they were wages from unemployment insurance benefits in one year, yet not counting as wages earned towards establishing a second benefit year, the statutes and rules do treat them differently depending on whether they are insured or not.

Claimant did demonstrate an ongoing connection to the labor market by earning at least eight times the prior claim year's WBA in insured wages during or subsequent to the claim year beginning April 5, 2020. Therefore, claimant is eligible to receive benefits during the current claim year beginning April 4, 2021.

The issue of whether claimant mistakenly under-reported his wages while filing his weekly continued claims for benefits during the claim year effective April 5, 2020, is remanded to the Benefits Bureau for further investigation.

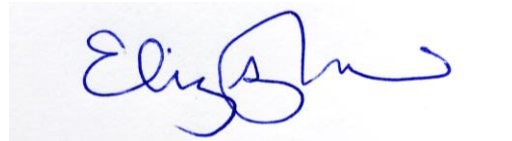
The administrative law judge will not unlock claimant's claim for benefits effective April 4, 2021, at this time, pending the outcome of the wage reporting investigation.

DECISION:

The April 23, 2021, (reference 01) unemployment insurance decision is reversed. The claimant is eligible to receive benefits during the current claim year beginning April 4, 2021.

REMAND:

The issue of whether claimant failed to properly report all wages earned when filing weekly continued claims for benefits during the benefit year effective April 5, 2020, is remanded to the Benefits Bureau of Iowa Workforce Development for further investigation and determination.



Elizabeth A. Johnson
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July 22, 2021
Decision Dated and Mailed

lj/mh