# IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

**PAUL BAKER** 

Claimant

**APPEAL 21A-UI-08786-AD-T** 

ADMINISTRATIVE LAW JUDGE DECISION

**OBERG FREIGHT CO** 

**Employer** 

OC: 01/31/21

Claimant: Respondent (2)

Iowa Code § 96.5(1) - Voluntary Quitting

Iowa Code § 96.3(7) – Recovery of Benefit Overpayment

Iowa Admin. Code r. 871-24.10 – Employer/Representative Participation Fact-finding Interview PL116-136, Sec. 2104 – Eligibility for Federal Pandemic Unemployment Compensation

### STATEMENT OF THE CASE:

On March 29, 2021, Oberg Freight Co (employer/respondent) filed an appeal from the March 25, 2021, (reference 02) unemployment insurance decision that allowed benefits based on a finding that claimant was discharged on February 3, 2021 without a showing of misconduct.

A telephone hearing was held on June 11, 2021. The parties were properly notified of the hearing. Employer participated by Safety Director Jeff Dangelser. Operations Manager Dave Correll participated as a witness for employer. Employer was represented by attorney Stu Cochrane. Paul Baker (claimant/respondent) did not register a number for the hearing or participate.

Employer's Exhibit 1 admitted. Official notice was taken of the administrative record.

## ISSUE(S):

- I. Was the separation a layoff, discharge for misconduct, or voluntary quit without good cause?
- II. Was the claimant overpaid benefits? Should claimant repay benefits and/or charge employer due to employer participation in fact finding?
- III. Is the claimant eligible for Federal Pandemic Unemployment Compensation?

#### FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds:

Claimant worked for employer as a full-time driver. Claimant's first day of employment was May 11, 2020. The last day claimant was present at the job performing work was February 2, 2021. Claimant's immediate supervisor was Dave Correll. Claimant separated from employment on February 5, 2021. Claimant voluntarily quit on that date.

Claimant did not specifically indicate that he was resigning or why. However, he had for several days in a row appeared for work but refused to perform the work as assigned. Claimant's assignment had recently changed from a set schedule of local deliveries to a flexible schedule of over-the-road deliveries.

Claimant agreed to this new schedule but later changed his mind and refused to perform that work. Claimant would have earned the same or more in the new position and it offered greater flexibility in when he could end and begin work. On the third consecutive day that claimant refused to perform the work, employer informed him that they considered his continued refusal a voluntary resignation.

The unemployment insurance system shows claimant has received weekly benefits in the amount of \$493.00 for a total of sixteen weeks, from the benefit week ending February 13, 2021 and continuing through the benefit week ending June 5, 2021. The total amount of benefits paid to date is \$7,888.00.

The unemployment insurance system shows claimant has received Federal Pandemic Unemployment Compensation (FPUC) benefits in the amount of \$300.00 for a total of sixteen weeks, from the benefit week ending February 13, 2021 and continuing through the benefit week ending June 5, 2021. The total amount of FPUC benefits paid to date is \$4,800.00.

Dangelser participated in a fact-finding call with the department, in which he provided essentially the same information as above.

#### **REASONING AND CONCLUSIONS OF LAW:**

For the reasons set forth below, the March 25, 2021, 2021 (reference 02) unemployment insurance decision that allowed benefits based on a finding that claimant was discharged on February 3, 2021 without a showing of misconduct is REVERSED.

I. Was the separation a layoff, discharge for misconduct, or voluntary quit without good cause?

Iowa Code section 96.5(1)a 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. But the individual shall not be disqualified if the department finds that:
- g. The individual left work voluntarily without good cause attributable to the employer under circumstances which did or would disqualify the individual for benefits, except as provided in paragraph "a" of this subsection but, subsequent to the leaving, the individual worked in and was paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

Iowa Admin. Code r. 871-24.25 provides in relevant part:

Voluntary quit without good cause. In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer from whom the employee has separated. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to lowa Code section 96.5. However, the claimant has the initial burden to produce evidence that the claimant is not disqualified for benefits in cases involving lowa Code section 96.5, subsection (1), paragraphs "a" through "i," and subsection 10. The following reasons for a voluntary quit shall be presumed to be without good cause attributable to the employer:

- (18) The claimant left because of a dislike of the shift worked.
- (27) The claimant left rather than perform the assigned work as instructed.

Iowa Admin. Code r. 871-24.26 provides in relevant part:

Voluntary quit with good cause attributable to the employer and separations not considered to be voluntary quits. The following are reasons for a claimant leaving employment with good cause attributable to the employer:

(23) The claimant left work because the type of work was misrepresented to such claimant at the time of acceptance of the work assignment.

Claimant has the burden of proving that the voluntary leaving was for good cause attributable to the employer. Iowa Code § 96.6(2). The employer has the burden of proving that a claimant's departure from employment was voluntary. *Irving v. Emp't Appeal Bd.*, 883 N.W.2d 179 (Iowa 2016). "In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer". Id. (citing *Cook v. Iowa Dept. of Job Service*, 299 N.W.2d 698, 701 (Iowa 1980)).

"Good cause" for leaving employment must be that which is reasonable to the average person, not to the overly sensitive individual or the claimant in particular. *Uniweld Products v. Industrial Relations Commission*, 277 S.2d 827 (Florida App. 1973). While a notice of intent to quit is not required to obtain unemployment benefits where the claimant quits due to intolerable or detrimental working conditions, the case for good cause is stronger where the employee complains, asks for correction or accommodation, and employer fails to respond. *Hy-Vee Inc. v. EAB*, 710 N.W.2d 1 (lowa 2005).

lowa unemployment insurance law disqualifies claimants who voluntarily quit employment without good cause attributable to the employer or who are discharged for work-connected misconduct. Iowa Code §§ 96.5(1) and 96.5(2)a. A voluntary quitting of employment requires that an employee exercise a voluntary choice between remaining employed or terminating the employment relationship. *Wills v. Emp't Appeal Bd.*, 447 N.W.2d 137, 138 (Iowa 1989); *Peck v. Emp't Appeal Bd.*, 492 N.W.2d 438, 440 (Iowa Ct. App. 1992). A voluntary leaving of employment requires an intention to terminate the employment relationship accompanied by an overt act of carrying out that intention. *Local Lodge #1426 v. Wilson Trailer*, 289 N.W.2d 608, 612 (Iowa 1980).

Employer has carried its burden of proving claimant's departure from employment was voluntary. However, claimant has not carried her burden of proving the voluntary leaving was for good cause attributable to employer.

Claimant refused to perform the work as instructed due to a dislike of the shift worked. However, he agreed to the changes in his assignment and there is no indication that change was misrepresented to him. Claimant could have continued working and exercised a voluntary choice not to. The quitting was not with good cause attributable to employer. Benefits are therefore denied effective with the date of separation.

II. Was the claimant overpaid benefits? Should claimant repay benefits and/or charge employer due to employer participation in fact finding?

Iowa Code section 96.3(7) provides, in pertinent part:

- 7. Recovery of overpayment of benefits.
- a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.
- b. (1) (a) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.
- (b) However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment.

Iowa Admin. Code r. 871-24.10 provides:

Employer and employer representative participation in fact-finding interviews.

(1) "Participate," as the term is used for employers in the context of the initial determination to award benefits pursuant to Iowa Code section 96.6, subsection 2, means submitting detailed factual information of the quantity and quality that if unrebutted would be sufficient to result in a decision favorable to the employer. The most effective means to participate is to provide live testimony at the interview from a witness with firsthand knowledge of the events leading to the separation. If no live testimony is provided, the employer must provide the name and telephone number of an employee with firsthand information who may be contacted, if necessary, for rebuttal. A party may also participate by providing detailed written statements or documents that provide detailed factual information of the events leading to separation. At a minimum, the information provided by the employer or the employer's representative must identify the dates and particular circumstances of the incident or incidents, including, in the case of discharge, the act or omissions of the claimant or, in the event of a voluntary separation, the stated reason for the quit. The specific rule or policy must be submitted if the claimant was discharged for violating such rule or policy. In the case of discharge for attendance violations, the information must include the circumstances of all incidents the employer or the employer's representative

contends meet the definition of unexcused absences as set forth in 871—subrule 24.32(7). On the other hand, written or oral statements or general conclusions without supporting detailed factual information and information submitted after the fact-finding decision has been issued are not considered participation within the meaning of the statute.

The unemployment insurance system shows claimant has received weekly benefits in the amount of \$493.00 for a total of sixteen weeks, from the benefit week ending February 13, 2021 and continuing through the benefit week ending June 5, 2021. The total amount of benefits paid to date is \$7,888.00. Because the administrative law judge now finds claimant disqualified from benefits from the date of separation, he has been overpaid benefits in that amount.

The administrative law judge finds employer did participate in the fact-finding interview within the meaning of lowa Admin. Code r. 871-24.10 and the overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment. Benefits shall therefore be recovered from claimant; the charge for the overpayment against the employer's account shall be removed; and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund.

III. Is the claimant eligible for federal pandemic unemployment compensation?

PL116-136, Sec. 2104 provides, in pertinent part:

- (b) Provisions of Agreement
- (1) Federal pandemic unemployment compensation.--Any agreement under this section shall provide that the State agency of the State will make payments of regular compensation to individuals in amounts and to the extent that they would be determined if the State law of the State were applied, with respect to any week for which the individual is (disregarding this section) otherwise entitled under the State law to receive regular compensation, as if such State law had been modified in a manner such that the amount of regular compensation (including dependents' allowances) payable for any week shall be equal to
- (A) the amount determined under the State law (before the application of this paragraph), plus
- (B) an additional amount of \$600 (in this section referred to as "Federal Pandemic Unemployment Compensation").

. . . .

- (f) Fraud and Overpayments
- (2) Repayment.--In the case of individuals who have received amounts of Federal Pandemic Unemployment Compensation to which they were not entitled, the State shall require such individuals to repay the amounts of such Federal Pandemic Unemployment Compensation to the State agency...

The unemployment insurance system shows claimant has received Federal Pandemic Unemployment Compensation (FPUC) benefits in the amount of \$300.00 for a total of sixteen weeks, from the benefit week ending February 13, 2021 and continuing through the benefit week ending June 5, 2021. The total amount of FPUC benefits paid to date is \$4,800.00.

Because the claimant is disqualified from receiving regular unemployment insurance (UI) benefits, he is also disqualified from receiving FPUC. Claimant has therefore been overpaid FPUC in the amount of \$4,800.00.

## **DECISION:**

The March 25, 2021, 2021 (reference 02) unemployment insurance decision that allowed benefits based on a finding that claimant was discharged on February 3, 2021 without a showing of misconduct is REVERSED. Claimant voluntarily quit without good cause attributable to employer. He is therefore disqualified from benefits from the date of separation and continuing until he earns wages for insured work equal to ten times his weekly benefit amount.

Claimant has been overpaid benefits in the amount of \$7,888.00. Benefits shall therefore be recovered from claimant; the charge for the overpayment against the employer's account shall be removed; and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund.

Claimant has been overpaid FPUC in the amount of \$4,800.00.

Andrew B. Duffelmeyer

Administrative Law Judge

Unemployment Insurance Appeals Bureau 1000 East Grand Avenue

and Mospelmeyer

Des Moines, Iowa 50319-0209

Fax (515) 478-3528

June 25, 2021

**Decision Dated and Mailed** 

abd/lj

#### Note to Claimant:

This decision determines you have been overpaid FPUC and/or PEUC under the CARES Act. If you disagree with this decision, you may file an appeal to the Employment Appeal Board by following the instructions on the first page of this decision. Additionally, instructions for requesting a waiver of this overpayment can be found at https://www.iowaworkforcedevelopment.gov/unemployment-insurance-overpayment-and-recovery. If this decision becomes final and you are not eligible for a waiver, you will have to repay the benefits you received.

Individuals who are disqualified from or are otherwise ineligible for <u>regular</u> unemployment insurance benefits but who are unemployed for reasons related to COVID-19 may qualify for Pandemic Unemployment Assistance (PUA). **You will need to apply for PUA to determine your eligibility.** Additional information on how to apply for PUA can be found at https://www.iowaworkforcedevelopment.gov/pua-information.