IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

COLTON TRUITT Claimant

APPEAL 20A-UI-09459-DB-T

ADMINISTRATIVE LAW JUDGE DECISION

"SLB OF IOWA LC Employer

> OC: 03/22/20 Claimant: Appellant (5)

Iowa Code § 96.5(1) – Voluntary Quitting Iowa Code § 96.4(3) – Able to and Available for Work

STATEMENT OF THE CASE:

The claimant/appellant filed an appeal from the August 5, 2020 (reference 02) unemployment insurance decision that denied benefits based upon claimant voluntarily quitting work without good cause attributable to the employer. The parties were properly notified of the hearing. A telephone hearing was held on September 24, 2020. The claimant, Colton Truitt, participated personally. The employer, SLB of Iowa LC, participated through witness Karen Beard. The administrative law judge took official notice of the claimant's administrative records.

ISSUES:

Did the claimant voluntarily quit for other or better employment? Is the claimant able to and available for work?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed part-time as a delivery driver for the employer's restaurant. Claimant began working for this employer on August 28, 2019 and was laid off due to the COVID 19 pandemic on March 23, 2020. He returned to work on April 29, 2020 and voluntarily quit on May 26, 2020.

Claimant tendered a written resignation to his supervisor. He voluntarily quit because his scheduled hours that he was working interfered with his full-time self-employment venture. He has been self-employed on a full-time basis since May 26, 2020.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes as follows:

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. 871-24.25(19) provides:

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 Iowa 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 Iowa 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:

(19) The claimant left to enter self-employment.

A voluntary quitting means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer and requires an intention to terminate the employment. *Wills v. Emp't Appeal Bd.*, 447 N.W. 2d 137, 138 (Iowa 1989). 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); *Peck v. Emp't Appeal Bd.*, 492 N.W.2d 438 (Iowa Ct. App. 1992).

In this case, the claimant voluntarily quit due to his full-time self-employment venture. Pursuant to Iowa Admin. Code r. 871-24.25(19), that is not considered a good-cause reason to quit under Iowa Iaw. Further, the claimant has not been able to and available for full-time work since he entered into full-time self-employment effective May 26, 2020.

Iowa Code section 96.4(3) provides:

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

3. The individual is able to work, is available for work, and is earnestly and actively seeking work. This subsection is waived if the individual is deemed partially unemployed, while employed at the individual's regular job, as defined in section 96.1A, subsection 38, paragraph "b", subparagraph (1), or temporarily unemployed as defined in section 96.19, subsection 38, paragraph "c". The work search requirements of this subsection and the disqualification requirement for failure to apply for, or to accept suitable work of section 96.5, subsection 3 are waived if the individual is not disqualified for benefits under section 96.5, subsection 1, paragraph "h".

Iowa Admin. Code r. 871-24.23(7) provides:

Availability disqualifications. The following are reasons for a claimant being disqualified for being unavailable for work.

(7) Where an individual devotes time and effort to becoming self-employed.

As such, the claimant has not been able to and available for full-time work effective May 26, 2020 due to him devoting the majority of his time and effort to being self-employed.

DECISION:

The August 5, 2020 (reference 02) unemployment insurance decision is modified with no change in effect. Claimant voluntarily quit to enter self-employment. Unemployment insurance benefits are denied effective May 26, 2020 and continuing until claimant has worked in and earned wages for insured work equal to ten times his weekly benefit amount after his separation date, and provided he is otherwise eligible.

Claimant is further devoting the majority of his time and efforts to being self-employed and is not able to and available for other work. Benefits are denied effective May 26, 2020 and continuing due to the claimant failing to be able to and available for full-time work.

This decision denies unemployment insurance benefits funded by the State of Iowa. If this decision becomes final or if you are not eligible for PUA, you may have an overpayment of benefits. See Note to Claimant below.

Jawn Boucher

Dawn Boucher Administrative Law Judge

September 28, 2020 Decision Dated and Mailed

db/sam

Note to Claimant

- This decision determines you are not eligible for regular unemployment insurance benefits funded by the State of Iowa under state law. 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.
- If you do not qualify for regular unemployment insurance benefits funded by the State of lowa under state law, you may qualify for benefits under the Federal Pandemic Unemployment Assistance ("PUA") section of the Coronavirus Aid, Relief, and Economic Security Act ("Cares Act") that discusses eligibility for claimants who are unemployed due to the Coronavirus.
- You will need to apply for PUA to determine your eligibility under the program. For additional information on how to apply for PUA go to: <u>https://www.iowaworkforcedevelopment.gov/pua-information</u>.

- If you are denied regular unemployment insurance benefits funded by the State of Iowa and wish to apply for PUA, please visit:
 <u>https://www.iowaworkforcedevelopment.gov/pua-information</u> and scroll down to "Submit Proof Here." You will fill out the questionnaire regarding the reason you are not working and upload a picture or copy of your fact-finding decision. Your claim will be reviewed for PUA eligibility. If you are eligible for PUA, you will also be eligible for Federal Pandemic Unemployment Compensation (FPUC) until the program expires. Back payments PUA benefits may automatically be used to repay any overpayment of state benefits. If this does not occur on your claim, you may repay any overpayment by visiting: https://www.iowaworkforcedevelopment.gov/unemployment-insurance-overpayment-and-recovery.
- If you have applied and have been approved for PUA benefits, this decision will **not** negatively affect your entitlement to PUA benefits.