

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**FRED A DIETZ**  
Claimant

**APPEAL NO. 14A-UI-02327-SWT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**CENTRAL IOWA POWER COOP**  
Employer

**OC: 12/29/13**  
**Claimant: Appellant (2)**

Section 96.3-5 – Business Closing  
871 IAC 24.29(1) – Business Closing

**STATEMENT OF THE CASE:**

The claimant appealed an unemployment insurance decision dated February 24, 2014, reference 02, that concluded the claimant was ineligible for business-closing benefits. A telephone hearing was held on March 25, 2014. The parties were properly notified about the hearing. The claimant participated in the hearing. Vicki Vargason participated in the hearing on behalf of the employer.

**ISSUE:**

Is the claimant eligible for business-closing benefits in addition to regular unemployment insurance benefits?

**FINDINGS OF FACT:**

The employer operated the Fair Station coal-fired power plant located at 3800 Highway 22, Montpelier, Iowa. The claimant worked as a plant electrician for the employer from October 28, 1981, to December 27, 2013. In November 2013, the employer stopped electrical generation at the power plant. The claimant and other employees worked on preparing the plant for demotion until December 27, 2013. When that work was finished, the claimant and other employees were laid off.

The employer still has two supervisors stationed at Fair Station coal-fired power plant for the purpose of providing security and supervising the demolition of the buildings on the property, which is being performed by an outside contractor.

**REASONING AND CONCLUSIONS OF LAW:**

The issue in this case is whether the claimant was laid off due to a business closing.

Iowa unemployment insurance law provides additional benefits for claimants laid off due to their employer going out of business at the factory, establishment, or other premises at which they were last employed. Iowa Code § 96.3-5. The rules define going out of business as any

factory, establishment, or other premises of an employer that closes its doors and ceases to function as a business. An employer is not considered to have gone out of business at the factory, establishment, or other premises if the employer sells or otherwise transfers the business to another employer and the successor employer continues to operate the business. 871 IAC 24.29(2)

In this case, it is clear that at the point the claimant stopped working, the electrical generation business located at 3800 Highway 22, Montpelier, Iowa, was closed. The fact that the employer still has two supervisors stationed at the closed plant to supervise its demolition does not change the result here.

Vicki Vargason, the human resources director, pointed out that the employer had set up separate locations within its unemployment account for the purpose of reporting wages and it was still reporting the supervisor's wages under that location. The employer should contact the Unemployment Insurance Services Tax Bureau (888-848-7442 or [iwduitax@iwd.iowa.gov](mailto:iwduitax@iwd.iowa.gov)) for guidance on how the wages should be reported.

**DECISION:**

The unemployment insurance decision dated February 24, 2014, reference 02, is reversed. The claimant is entitled to have his claim redetermined as a layoff due to a business closing.

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Steven A. Wise  
Administrative Law Judge

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Decision Dated and Mailed

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