

IOWA DEPARTMENT OF INSPECTIONS AND  
APPEALS  
Division of Administrative Hearings  
Wallace State Office Building  
Des Moines, Iowa 50319

DECISION OF THE ADMINISTRATIVE LAW JUDGE

**SUZANNE HALLS**  
**2951 E. OAK PARK AVE.**  
**DES MOINES, IA 50317**

**IOWA WORKFORCE DEVELOPMENT**  
**INVESTIGATIONS AND RECOVERY**  
**IRMA LEWIS**  
**150 DES MOINES STREET**  
**DES MOINES IA 50309**

JOE WALSH, IWD

**Appeal Number: 13IWDUI023**  
**OC: 12/9/12**  
**Claimant: Appellant (1)**

**This Decision Shall Become Final**, unless within fifteen (15) days from the date below, you or any interested party appeal to the Employment Appeal Board by submitting either a signed letter or a signed Notice of Appeal, directly to the ***Employment Appeal Board, 4<sup>TH</sup> Floor Lucas Building, Des Moines, Iowa 50319.***

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

STATE CLEARLY

1. The name, address and social security number of the claimant.
2. A reference to the decision from which the appeal is taken.
3. That an appeal from such decision is being made and such appeal is signed.
4. The grounds upon which such appeal is based.

YOU MAY REPRESENT yourself in this appeal or you may obtain a lawyer or other interested party to do so provided there is no expense to the department. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds. It is important that you file your claim as directed, while this appeal is pending, to protect your continuing right to benefits.

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(Administrative Law Judge)

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April 24, 2013

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(Decision Dated & Mailed)

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**STATEMENT OF THE CASE**

Suzanne Halls filed an appeal from a decision issued by Iowa Workforce Development (the Department) dated December 31, 2012 (reference 01). In this decision, the Department imposed an administrative penalty that disqualified Halls from receiving unemployment insurance benefits from December 23, 2012 through the end of her benefit year on December 7, 2013.

The case was transmitted from Workforce Development to the Department of Inspections and Appeals on January 15, 2013 to schedule a contested case hearing. A Notice of Telephone Hearing was mailed to all parties on January 24, 2013. On March 21, 2013, a telephone appeal hearing was held before Administrative Law Judge Laura Lockard. Investigator Irma Lewis represented the Department and presented

testimony. Appellant Suzanne Halls appeared and presented testimony. Exhibits A through G were submitted by the Department and admitted into the record as evidence.

### **ISSUE**

Whether the Department correctly imposed an administrative penalty on the basis of false statements made by the Appellant.

### **FINDINGS OF FACT**

Suzanne Halls filed a claim for unemployment insurance benefits with an effective date of December 9, 2012. At some point after Halls filed this claim, the Department determined that she had made false statements regarding her employment and earnings in order to receive unemployment insurance benefits from October 2, 2011 through February 11, 2012. On the basis of this determination, the Department issued a decision imposing an administrative penalty that disqualified Halls from receiving benefits from December 23, 2012 through December 7, 2013, the end of her current benefit year. (Exh. G).

The Department audited Halls' unemployment insurance account for the fourth quarter 2011 and first quarter 2012 and discovered that Halls had not reported any earnings for 17 weeks, despite the fact that she was employed. During each of those 17 weeks, Halls answered "no" in response to an automated question during the claims process asking, "Did you work?" Investigator Irma Lewis met with Halls in July, 2012 to discuss the potential overpayment of benefits for the weeks she had not reported wages. Halls had been working for a temporary employment agency and disclosed to Lewis in the interview that she did not want her benefits to be cut off if she did not have a job the next week. Halls also indicated that it did occur to her after a time that she had been with the employer for a while and she should stop calling in weekly unemployment benefits claims, but she did not stop calling in. On July 26, 2012, the Department issued a decision that determined Halls had been overpaid in the amount of \$4,789.68 on the basis of misrepresentation. (Exh. E, F; Lewis testimony).<sup>1</sup>

When Lewis received notice that Halls had filed another claim effective December 9, 2012, she sent a letter to Halls on December 17, 2012. In that letter, Lewis referenced the previous overpayment and asked Halls to contact her regarding the potential imposition of an administrative penalty. Halls called Lewis and told her she would drop off a statement at the local office, but the Department did not receive a statement from Halls. (Exh. B; Lewis testimony).

Halls admits that she was dishonest in making claims for the weeks she was working. She filed the appeal only to see if she could use her current benefits to offset the overpayment that she owes to the Department. (Halls testimony).

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<sup>1</sup> While the Department's decision does not specifically state that the overpayment was the result of misrepresentation, the decision states that it was made under section 96.16(4) of the Iowa Code. That section relates to overpayments made as a result of misrepresentation and the consequences the Department may impose.

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

The Department is authorized to impose an administrative penalty when it determines that an individual has, within the thirty-six preceding calendar months, willfully and knowingly made a false statement or misrepresentation or willfully and knowingly failed to disclose a material fact with the intent to obtain unemployment benefits to which the individual is not entitled.<sup>2</sup> The imposition of an administrative penalty results in the forfeiting of all unemployment benefits for a period of time to be determined by the Department; the period, however, cannot exceed the remainder of the individual's benefit year.<sup>3</sup>

The Department's investigator considers the facts and nature of the offense in determining the degree and severity of the penalty. The penalty range for falsification is from three weeks through the remainder of the benefit year. The investigator has broad discretion to determine the actual penalty to be imposed within the range.<sup>4</sup>

Halls has admitted that she knowingly made false statements to the Department in order to receive benefits to which she was not entitled. She reported that she did not work during 17 weeks that she was employed and earned wages. Under these circumstances, the Department's decision to impose an administrative penalty was correct. The length of the administrative penalty imposed in this case does not exceed the time period allowed in the Department's regulations.

### **DECISION**

Iowa Workforce Development's decision dated December 31, 2012 (reference 01) is **AFFIRMED**. The Department correctly imposed the administrative penalty. The Department shall take any action necessary to implement this decision.

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<sup>2</sup> Iowa Code § 96.5(8) (2013).

<sup>3</sup> *Id.*

<sup>4</sup> 871 Iowa Administrative Code (IAC) 25.9(2).