

**IN THE IOWA ADMINISTRATIVE HEARINGS DIVISION
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

DAVID E STUEDEMANN
Claimant

APPEAL 24A-UI-04915-DZ-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

WIDE RIVER WINERY LLC
Employer

**OC: 02/04/24
Claimant: Respondent (2)**

Iowa Code § 96.5(2)a – Discharge for Misconduct

STATEMENT OF THE CASE:

Wide River Winery LLC, the employer/appellant,¹ appealed the Iowa Workforce Development (IWD) May 1, 2024 (reference 03) unemployment insurance (UI) decision. IWD found Mr. Stuedemann eligible for REGULAR (state) UI benefits because IWD concluded the employer dismissed him from employment on April 10, 2024 for a reason that did not disqualify him from receiving UI benefits. On May 23, 2024, the Iowa Department of Inspections, Appeals, and Licensing (DIAL), UI Appeals Bureau mailed a notice of hearing to the employer and Mr. Stuedemann for a telephone hearing scheduled for June 7, 2024.

The administrative law judge held a telephone hearing on June 7, 2024. The employer participated in the hearing through Dorothy O'Brien, owner, and Sarah Peterson, wine hostess. Mr. Stuedemann participated in the hearing personally. The administrative law judge admitted Department's Exhibits 1-2 and Employer's Exhibit 1 as evidence.

The administrative law judge concludes Mr. Stuedemann is not eligible for UI benefits based on how his job ended with this employer, IWD overpaid him \$310.00 in UI benefits, and he is required to repay these benefits back to IWD.

ISSUES:

Did the employer discharge Mr. Stuedemann from employment for disqualifying job-related misconduct?

Did IWD overpay Mr. Stuedemann UI benefits?

If so, should he repay the benefits?

FINDINGS OF FACT:

Having reviewed the evidence in the record, the administrative law judge finds: Mr. Stuedemann began working for the employer on hired in late March 2024. He worked as a full-time event worker. His employment ended on April 10, 2024.

¹ Appellant is the person or employer who appealed.

On April 7, Mr. Stuedemann and another employee (Employee A) returned to the employer's winery after working a bridal show. Mr. Stuedemann, Employee A, and Ms. Peterson were in the employer's tasting room. Mr. Stuedemann asked Employee A and Ms. Peterson for help and/or tips for the next event, which he was to lead. Over the next 30 minutes, Employee A and Ms. Peterson gave Mr. Stuedemann tips and information. The conversation ended and Employee A went to their vehicle to begin unloading from the bridal show earlier that day.

Employee A returned to the tasting room with things they unloaded from their vehicle. Employee A asked Mr. Stuedemann to help them unload the vehicle. Mr. Stuedemann responded by yelling at Employee A. Mr. Stuedemann yelled words to the effect of "Will you give me a minute?" Employee A responded that it was late, and they wanted to unload the vehicle so they could go home. Mr. Stuedemann responded by again yelling at Employee A that he would not have Employee A telling him what to do and asking why everything had to be on Employee A's time. Employee A stated that they would not be talked to in that manner and walked away. Ms. Peterson observed the interaction between Mr. Stuedemann and Employee A. No customers were present at the time.

Ms. Peterson reported the incident to Ms. O'Brien. Ms. O'Brien asked Employee A about the incident and Employee A explained that Mr. Stuedemann blew up and yelled at Employee A when Employee A asked him to help unload the vehicle.

The employer's policy provides that employees are to treat each other with respect. Mr. Stuedemann received a copy of the policy on, or about, his hire date. On April 10, Ms. O'Brien told Mr. Stuedemann that his employment was terminated because he acted inappropriately when he yelled at Employee A on April 7.

IWD paid Mr. Stuedemann \$310.00 in REGULAR (state) UI benefits for the week of April 14-20, 2024. The employer participated in the fact-finding interview through Ms. O'Brien.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes 1) the employer discharged Mr. Stuedemann from employment on April 10, 2024 for disqualifying, job-related misconduct, 2) IWD overpaid Mr. Stuedemann \$310.00 in UI benefits, and 3) Mr. Stuedemann is required to repay these benefits back to IWD.

Mr. Stuedemann Is Not Eligible For UI Benefits Based On How His Job Ended With This Employer

Iowa Code section 96.5(2)(a) and (d) provide, in relevant part:

An individual shall be disqualified for benefits:

2. Discharge for misconduct. If the department finds that the individual has been discharged for misconduct in connection with the individual's employment:

a. The individual shall be disqualified for benefits until the individual has worked in and has been paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

d. For the purposes of this subsection, "misconduct" means a deliberate act or omission by an employee that constitutes a material breach of the duties and

obligations arising out of the employee's contract of employment. Misconduct is limited to conduct evincing such willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior which the employer has the right to expect of employees, or in carelessness or negligence of such degree of recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer.

The employer has the burden of proof in establishing disqualifying job misconduct.² The issue is not whether the employer made a correct decision in separating the claimant from employment, but whether the claimant is entitled to unemployment insurance benefits.³ Misconduct must be "substantial" to warrant a denial of job insurance benefits.⁴

The employer may establish reasonable work rules and expect employees to abide by them. The employer has presented credible evidence that Mr. Stuedemann repeatedly yelled at Employee A when Employee A asked him for help unloading a vehicle. Mr. Stuedemann knew about the employer's policy, but his anger got the best of him on April 7. Mr. Stuedemann's actions on April 7 was disqualifying misconduct. So, he is not eligible for UI benefits.

IWD Overpaid Mr. Stuedemann \$310.00 in UI Benefits,
and He is Required to Repay These Benefits Back to IWD

Iowa Code §96.3(7) provides, in relevant 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. The employer shall not be relieved of charges if benefits are paid because the employer or an agent of the employer failed to respond timely or adequately to the department's request for information relating to the payment of benefits. This prohibition against relief of charges shall apply to both contributory and reimbursable employers. If the department determines that an employer's failure to respond timely or adequately was due to insufficient notification from the department, the employer's account shall not be charged for the overpayment.

² *Cosper v. Iowa Dep't of Job Serv.*, 321 N.W.2d 6 (Iowa 1982).

³ *Infante v. Iowa Dep't of Job Serv.*, 364 N.W.2d 262 (Iowa Ct. App. 1984).

⁴ *Newman v. Iowa Dep't of Job Serv.*, 351 N.W.2d 806 (Iowa Ct. App. 1984).

(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, in relevant part:

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.

Since Mr. Stuedemann is not eligible for UI benefits based on how his job ended with the employer, he is not eligible for the UI benefits IWD already sent him after April 10, 2024. IWD overpaid Mr. Stuedemann \$310.00 in REGULAR (state) UI benefits for the week of April 14-20, 2024. Since the employer participated in the fact-finding interview, Mr. Stuedemann is required to repay these benefits back to IWD.

DECISION:

The May 1, 2024, (reference 03) UI decision is REVERSED. The employer discharged Mr. Stuedemann from employment on April 10, 2024 for disqualifying, job-related misconduct. Mr. Stuedemann is not eligible for UI benefits until he has worked in and been paid wages for insured work equal to ten times his weekly UI benefit amount, as long as no other decision denies him UI benefits.

IWD overpaid Mr. Stuedemann \$310.00 in REGULAR (state) UI benefits for the week of April 14-20, 2024. Since the employer participated in the fact-finding interview, Mr. Studeman is required to repay these UI benefits back to IWD.



Daniel Zeno
Administrative Law Judge

June 10, 2024
Decision Dated and Mailed

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APPEAL RIGHTS. If you disagree with this decision, you or any interested party may:

1. Appeal to the Employment Appeal Board within fifteen (15) days of the date under the judge's signature by submitting a written appeal via mail, fax, or online to:

**Iowa Employment Appeal Board
6200 Park Avenue Suite 100
Des Moines, Iowa 50321
Fax: (515)281-7191
Online: eab.iowa.gov**

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.

AN APPEAL TO THE BOARD SHALL 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.

An Employment Appeal Board decision is final agency action. If a party disagrees with the Employment Appeal Board decision, they may then file a petition for judicial review in district court.

2. If no one files an appeal of the judge's decision with the Employment Appeal Board within fifteen (15) days, the decision becomes final agency action, and you have the option to file a petition for judicial review in District Court within thirty (30) days after the decision becomes final. Additional information on how to file a petition can be found at Iowa Code §17A.19, which is online at <https://www.legis.iowa.gov/docs/code/17A.19.pdf> or by contacting the District Court Clerk of Court <https://www.iowacourts.gov/iowa-courts/court-directory/>.

Note to Parties: YOU MAY REPRESENT yourself in the appeal or obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. 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.

Note to Claimant: It is important that you file your weekly claim as directed, while this appeal is pending, to protect your continuing right to benefits.

SERVICE INFORMATION:

A true and correct copy of this decision was mailed to each of the parties listed.

DERECHOS DE APELACIÓN. Si no está de acuerdo con la decisión, usted o cualquier parte interesada puede:

1. Apelar a la Junta de Apelaciones de Empleo dentro de los quince (15) días de la fecha bajo la firma del juez presentando una apelación por escrito por correo, fax o en línea a:

**Iowa Employment Appeal Board
6200 Park Avenue Suite 100
Des Moines, Iowa 50321
Fax: (515)281-7191
En línea: eab.iowa.gov**

El período de apelación se extenderá hasta el siguiente día hábil si el último día para apelar cae en fin de semana o día feriado legal.

UNA APELACIÓN A LA JUNTA DEBE ESTABLECER CLARAMENTE:

- 1) El nombre, dirección y número de seguro social del reclamante.
- 2) Una referencia a la decisión de la que se toma la apelación.
- 3) Que se interponga recurso de apelación contra tal decisión y se firme dicho recurso.
- 4) Los fundamentos en que se funda dicho recurso.

Una decisión de la Junta de Apelaciones de Empleo es una acción final de la agencia. Si una de las partes no está de acuerdo con la decisión de la Junta de Apelación de Empleo, puede presentar una petición de revisión judicial en el tribunal de distrito.

2. Si nadie presenta una apelación de la decisión del juez ante la Junta de Apelaciones Laborales dentro de los quince (15) días, la decisión se convierte en acción final de la agencia y usted tiene la opción de presentar una petición de revisión judicial en el Tribunal de Distrito dentro de los treinta (30) días después de que la decisión adquiera firmeza. Puede encontrar información adicional sobre cómo presentar una petición en el Código de Iowa §17A.19, que se encuentra en línea en <https://www.legis.iowa.gov/docs/code/17A.19.pdf> o comunicándose con el Tribunal de Distrito Secretario del tribunal <https://www.iowacourts.gov/iowa-courts/court-directory/>.

Nota para las partes: USTED PUEDE REPRESENTARSE en la apelación u obtener un abogado u otra parte interesada para que lo haga, siempre que no haya gastos para Workforce Development. Si desea ser representado por un abogado, puede obtener los servicios de un abogado privado o uno cuyos servicios se paguen con fondos públicos.

Nota para el reclamante: es importante que presente su reclamo semanal según las instrucciones, mientras esta apelación está pendiente, para proteger su derecho continuo a los beneficios.

SERVICIO DE INFORMACIÓN:

Se envió por correo una copia fiel y correcta de esta decisión a cada una de las partes enumeradas.