

**BEFORE THE  
EMPLOYMENT APPEAL BOARD  
Lucas State Office Building  
Fourth floor  
Des Moines, Iowa 50319**

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**NADYA A AFANOU**

Claimant

and

**GOOD SAMARITAN SOCIETY INC**

Employer

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**HEARING NUMBER: 21B-UI-07528**

**EMPLOYMENT APPEAL BOARD  
DECISION**

**NOTICE**

**THIS DECISION BECOMES FINAL** unless (1) a **request for a REHEARING** is filed with the Employment Appeal Board within **20 days** of the date of the Board's decision or, (2) a **PETITION TO DISTRICT COURT IS FILED WITHIN 30 days** of the date of the Board's decision.

A **REHEARING REQUEST** shall state the specific grounds and relief sought. If the rehearing request is denied, a petition may be filed in **DISTRICT COURT** within **30 days** of the date of the denial.

**SECTION: 96.5-1, 96.3-7**

**DECISION**

The Claimant appealed this case to the Employment Appeal Board. All members of the Employment Appeal Board reviewed the entire record. A majority of the Appeal Board, one member dissenting, finds the administrative law judge's decision is correct. With the following modification, the administrative law judge's Findings of Fact and Reasoning and Conclusions of Law are adopted by the Board as its own. The administrative law judge's decision is **AFFIRMED** with the following **MODIFICATION IN THE CLAIMANT'S FAVOR BUT WITHOUT EFFECT ON THE EMPLOYER**:

The Administrative Law Judge's discussion of the recovery of overpaid FPUC benefits is modified to be consistent with the following:

The CARES Act, as amended, provides:

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, **except** that the State agency may waive such repayment if it determines that—

(A) the payment of such Federal Pandemic Unemployment Compensation was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience

PL116-136, Sec. 2104(f)(2). In this case the Claimant was paid FPUC in addition to regular state benefits. We shall later discuss whether the FPUC overpayment can be waived.

Secondly, the Administrative Law Judge's discussion of the recovery of overpaid PEUC benefits is modified to be consistent with the following:

The CARES Act, as amended, provides:

SEC. 2107. PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.

(e)(2) Repayment.--In the case of individuals who have received amounts of pandemic emergency unemployment compensation under this section to which they were not entitled, the State shall require such individuals to repay the amounts of such pandemic unemployment compensation to the State agency, **except** that the State agency may waive such repayment if it determines that—

(A) the payment of such pandemic emergency unemployment compensation was without fault on the part of any such individual; and

(B) such repayment would be contrary to equity and good conscience.

PL116-136, Sec. 2104(f)(2); 2107(e)(2). In this case the Claimant was paid PEUC. We shall later discuss whether the PEUC overpayment can be waived.

Thirdly, the Administrative Law Judge's discussion of the recovery of overpaid LWA benefits is modified to be consistent with the following:

The *Continued Assistance for Unemployed Workers Act of 2020* signed into law on December 27, 2020 provides:

SEC. 262. Lost Wages Assistance Recoupment Fairness.

(a) Definitions.—In this section—

(1) the term “covered assistance” means assistance provided for supplemental lost wages payments under subsections (e)(2) and (f) of section 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174), as authorized under the emergency declaration issued by the President on March 13, 2020, pursuant to section 501(b) of such Act (42 U.S.C. 5191(b)) and under any subsequent major disaster declaration under section 401 of such Act (42 U.S.C. 5170) that supersedes such emergency declaration; and

(2) the term “State” has the meaning given the term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).

(b) Waiver Authority For State Liability.—In the case of any individual who has received amounts of covered assistance to which the individual is not entitled, the State shall require the individual to repay the amounts of such assistance to the State agency, except that the State agency may waive such repayment if the State agency determines that—

(1) the payment of such covered assistance was without fault on the part of the individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) Waiver Authority For Federal Liability.—Any waiver of debt issued by a State under subsection (b) shall also waive the debt owed to the United States.

H.R. 133, 116 Congress, Sec. 262. In this case the Claimant was paid LWA in addition to regular state benefits. We now consider whether the LWA, FPUC and PEUC overpayments can be waived.

In deciding the question of fault, we will consider factors such as whether a material statement or representation was made by the Claimant in connection with the application for benefits, whether the Claimant knew or should have known that a fact was material and failed to disclose it, whether the Claimant should have known the Claimant was not eligible for benefits, and whether the overpayment was otherwise directly caused by the knowing actions of the Claimant. Cf. 871 IAC 24.50(7) (setting out factors for similar issue under TEUC from 2002). In deciding equity and good conscience we utilize the federal directives by considering the following:

- It would cause financial hardship to the person for whom it is sought; or
- The recipient of the overpayment can show (regardless of their financial circumstances) that due to the notice that such payment would be made or because of the incorrect payment either they have relinquished a valuable right or changed positions for the worse; or
- Recovery would be unconscionable under the circumstances.

UIPL 20-21, p. 6-7 (DOL ETA 5/5/2021).

Applying these factors to the totality of the circumstances in this case including that there is no evidence of material misrepresentation, we find on this individualized basis that the FPUC, PEUC and LWA overpayments should be waived on the ground that the Claimant's knowing actions were not directly at fault for the overpayments, and recovery would be unconscionable.

The Employer should note that the Employer will not be charged for any waived FPUC, PEUC or LWA.

If after today the Claimant should receive overpayment decisions concerning the overpayments we have waived then the Claimant should appeal those decisions. The Claimant should retain our decision to present to IWD in response to any such decision. The Claimant likewise should present this order to IWD if the Claimant should receive a bill for a waived overpayment.

Lastly, we point out to the Claimant that although the Claimant is denied benefits under state unemployment law, **this does not bar receipt of certain special pandemic related benefits**. In fact, being ineligible from state unemployment benefits is a prerequisite to some of these benefits. Of particular interest to the Claimant is Pandemic Unemployment Assistance [PUA]. That law provides benefits to persons who are unavailable for work due to certain pandemic related reasons, or who lost work as a direct result of the Pandemic. The federal Department of Labor has instructed that **eligible persons would include:**

- a) The individual has been diagnosed with COVID-19 or is experiencing symptoms of COVID-19 and is seeking a medical diagnosis. ...
- b) A member of the individual's household has been diagnosed with COVID-19. ...
- c) The individual is providing care for a family member or a member of the individual's household who has been diagnosed with COVID-19. ...
- d) A child or other person in the household for which the individual has primary caregiving responsibility is unable to attend school or another facility that is closed as a direct result of the COVID-19 public health emergency and such school or facility care is required for the individual to work...
- e) The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of the COVID-19 public health emergency. ...
- f) The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine due to concerns related to COVID-19. ...
- g) The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of the COVID-19 public health emergency. ...
- h) The individual has become the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19. ...
- i) The individual has to quit his or her job as a direct result of COVID-19. ...
- j) The individual's place of employment is closed as a direct result of the COVID-19 public health emergency. ...
- k) The individual meets any additional criteria established by the Secretary for unemployment assistance under this section....

UIPL 16-20, Attachment 1.

([https://wdr.doleta.gov/directives/attach/UIPL/UIPL\\_16-20\\_Attachment\\_1.pdf](https://wdr.doleta.gov/directives/attach/UIPL/UIPL_16-20_Attachment_1.pdf)).

In most cases, federal law requires all PUA claims to be backdated. The upshot is that if Claimant can make the necessary PUA showing Claimant may very well be eligible for PUA for any qualifying week. **Our ruling today is no bar to PUA.** Our ruling on the separation would mean if the Claimant can get PUA then once the Claimant comes off PUA the Claimant would have to requalify by earning 10 times the weekly benefit amount before Claimant could receive state unemployment benefits.

Claimant might then receive regular state benefits if Claimant returns and offers services once that COVID leave ends but Claimant is not rehired. The Employer should note it can avoid charges by bringing the Claimant back to work at the end of the COVID leave.

Should the Claimant wish to apply for PUA, the information on how to do so is found at:  
<https://www.iowaworkforcedevelopment.gov/pua-information>.

**DECISION:**

The decision of the Administrative Law Judge dated June 5, 2021 is **AFFIRMED AS MODIFIED IN THE CLAIMANT'S FAVOR** but with **NO EFFECT ON THE EMPLOYER**.

**The overpayments of \$9,000 in FPUC benefits, \$1,800 in LWA benefits, and \$910 in PEUC and is hereby waived, and the Claimant has no obligation to pay back those benefits.** The Claimant continues to be obliged to repay any overpayment in state benefits, including any extended benefits, that has been or will be assessed since the law does not permit us to waive the regular state benefit or extended benefit overpayments. The Employer will not be charged for waiver of FPUC since FPUC is a federally funded benefit. In all other respects the decision of the Administrative Law Judge is affirmed.

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James M. Strohman

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Ashley R. Koopmans

**DISSENTING OPINION OF MYRON R. LINN:**

I respectfully dissent from the majority decision of the Employment Appeal Board. After careful review of the record, I would affirm the decision of the administrative law judge without modification.

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Myron R. Linn