

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DAVID J STOLTZMAN
Claimant

APPEAL NO: 15A-UI-00449-DWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

WELLMAN DYNAMICS CORP
Employer

OC: 12/28/14
Claimant: Respondent (2)

Iowa Code § 96.5(1) – Voluntary Quit
Iowa Code § 96.3(7) – Overpayment of Benefits

PROCEDURAL STATEMENT OF THE CASE:

The employer appealed a representative's January 9, 2015 (reference 01) determination that held the claimant qualified to receive benefits and the employer's account subject to charge because his employment separation was for non-disqualifying reasons. The claimant did not respond to the hearing notice or participate at the February 4 hearing. Christine Johnson, a human resource assistant, appeared on the employer's behalf. During the hearing, Employer Exhibit One was offered and admitted as evidence. Based on the evidence, the employer's arguments, and the law, the administrative law judge concludes the claimant is not qualified to receive benefits.

ISSUES:

Did the claimant voluntarily quit his employment for reasons that qualify him to receive benefits or did the employer discharge him for work-connected misconduct?

Has the claimant been overpaid any unemployment insurance benefits?

If the claimant has been overpaid, is the claimant responsible for paying back the overpayment or will the employer's account be charged?

FINDINGS OF FACT:

The claimant started working for the employer in February 2010. He worked full time in the maintenance department. The last day the claimant worked was September 22, 2014. He was injured at work and had a worker's compensation claim.

In November 2014 the claimant met with the employer to find out if the employer could make accommodations for his permanent work restrictions. The employer could not make accommodations to meet the claimant's work restriction so he could remain in the maintenance department. The employer asked the claimant about working in another department where the employer could make the necessary accommodations. The claimant declined this opportunity because he wanted to stay in the maintenance department.

The claimant decided to enter into a Settlement Agreement with the employer (Employer Exhibit One). By signing the Settlement Agreement the claimant agreed to voluntarily quit his employment and his workers' compensation claim was settled. The claimant signed the agreement on December 2, 2014. After the employer learned the claimant had accepted the Settlement Agreement, the employer considered the claimant's employment ended.

If the claimant had not signed the Settlement Agreement he would not have settled his workers' compensation claim as quickly.

The claimant established a claim for unemployment insurance benefits during the week of December 28, 2014. The claimant's maximum weekly benefit amount is \$511. The claimant filed claims for the weeks ending January 3 through February 7, 2015. He received his maximum weekly benefit amount for each of these weeks. The employer participated at the fact-finding interview.

REASONING AND CONCLUSIONS OF LAW:

A claimant is not qualified to receive unemployment insurance benefits if he voluntarily quits employment without good cause attributable to the employer, or an employer discharges him for reasons constituting work-connected misconduct. Iowa Code §§ 96.5(1), (2)a. The facts do not establish that the employer discharged the claimant. Instead, the employer talked to the claimant about working in another department so they could accommodate his work restrictions. The claimant declined this opportunity.

The facts indicate the claimant voluntarily quit when he signed the Settlement Agreement. When a claimant quits, he has the burden to establish he quit for reasons that qualify him to receive benefits. Iowa Code § 96.6(2). While settling his workers' compensation claim is a compelling reason to quit, this reason does not qualify the claimant to receive unemployment insurance benefits. As of December 28, 2014 the claimant is not qualified to receive benefits.

If an individual receives benefits he is not legally entitled to receive, the Department shall recover the benefits even if the individual acted in good faith and is not at fault in receiving the overpayment. Iowa Code § 96.3(7). Based on this decision, the claimant is not legally entitled to receive benefits as of December 28, 2014. He has been overpaid \$3066 in gross benefits he received for the weeks ending January 3 through February 7, 2015.

The unemployment insurance law requires benefits be recovered from a claimant who receives benefits and is later denied benefits even if the claimant acted in good faith and was not at fault. However, a claimant will not have to repay an overpayment when an initial decision to award benefits on an employment separation issue is reversed on appeal if two conditions are met: (1) the claimant did not receive the benefits due to fraud or willful misrepresentation, and (2) the employer failed to participate in the initial proceeding that awarded benefits. In addition, if a claimant is not required to repay an overpayment because the employer failed to participate in the initial proceeding, the employer's account will be charged for the overpaid benefits. Iowa Code § 96.3(7)a, b.

Since the employer participated at the fact-finding interview, the claimant is legally responsible for paying back the \$3066 overpayment.

DECISION:

The representative's January 9, 2015 (reference 01) determination is reversed. The employer did not discharge the claimant. Instead, the claimant voluntarily quit when he signed a Settlement Agreement to settle his workers' compensation claim. As of December 28, 2014 the claimant is disqualified from receiving unemployment insurance benefits. This disqualification continues until he has been paid ten times his weekly benefit amount for insured work, provided he is otherwise eligible. The employer's account will not be charged. Since the claimant is not legally entitled to receive benefits as of December 28, 2014 he has been overpaid \$3066 in benefits he received for the weeks ending January 3 through February 7, 2015. The claimant is responsible for paying back this overpayment.

Debra L. Wise
Administrative Law Judge

Decision Dated and Mailed

dlw/can