

**IOWA WORKFORCE DEVELOPMENT  
UNEMPLOYMENT INSURANCE APPEALS**

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

**FUCHS, JODI, M**  
Claimant

**APPEAL NO. 13A-UI-01641-JTT**

**ADMINISTRATIVE LAW JUDGE  
DECISION**

**PRINCIPAL LIFE INSURANCE CO**  
Employer

**OC: 01/06/13**  
**Claimant: Appellant (1)**

Section 96.3(5) – Duration of Benefits  
871 IAC 24.29 – Business Closing

**STATEMENT OF THE CASE:**

The claimant filed a timely appeal from the February 1, 2013, reference 01, decision that denied the claimant's request to have her claim for benefits redetermined as being based on a layoff pursuant to a business closing. After due notice was issued, a hearing was held on March 11, 2013. Exhibit A was received into evidence.

**ISSUE:**

Whether the claimant was laid off pursuant to a business closing.

**FINDINGS OF FACT:**

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed by Principal Life Insurance Company, a division of The Principal, as a full-time facility configuration analyst lead until December 31, 2012, when she was laid off. The layoff occurred because The Principal decided to no longer offer health insurance. The claimant worked in the employer's Corporate 4 building. Subsequent to the claimant's layoff, The Principal continued to operate out of the Corporate 4 building.

**REASONING AND CONCLUSIONS OF LAW:**

Iowa Code section 96.3-5 provides:

5. Duration of benefits. The maximum total amount of benefits payable to an eligible individual during a benefit year shall not exceed the total of the wage credits accrued to the individual's account during the individual's base period, or twenty-six times the individual's weekly benefit amount, whichever is the lesser. The director shall maintain a separate account for each individual who earns wages in insured work. The director shall compute wage credits for each individual by crediting the individual's account with one-third of the wages for insured work paid to the individual during the individual's base period. However, the director shall recompute wage credits for an individual who is laid off due to the individual's employer going out of business at the factory, establishment,

or other premises at which the individual was last employed, by crediting the individual's account with one-half, instead of one-third, of the wages for insured work paid to the individual during the individual's base period. Benefits paid to an eligible individual shall be charged against the base period wage credits in the individual's account which have not been previously charged, in the inverse chronological order as the wages on which the wage credits are based were paid. However if the state "off indicator" is in effect and if the individual is laid off due to the individual's employer going out of business at the factory, establishment, or other premises at which the individual was last employed, the maximum benefits payable shall be extended to thirty-nine times the individual's weekly benefit amount, but not to exceed the total of the wage credits accrued to the individual's account.

871 IAC 24.29(2) provides:

(2) Going out of business means any factory, establishment, or other premises of an employer which closes its door and ceases to function as a business; however, an employer is not considered to have gone out of business at the factory, establishment, or other premises in any case in which the employer sells or otherwise transfers the business to another employer, and the successor employer continues to operate the business.

The weight of the evidence the record establishes that the claimant's employment came to an end due to a layoff. However, the way of the evidence does not establish a layoff pursuant to a business closing as that term is defined in the unemployment insurance law. This is because The Principal continued to operate out of the same facility where the claimant had performed her duties. The claimant's request to have her claim redetermined as being based on a layoff pursuant to a business closing is denied.

**DECISION:**

The Agency representative's decision dated February 1, 2013, reference 01, is affirmed. The claimant was laid off, but not pursuant to a business closing. The claimant's request to have her claim redetermined as being based on a layoff pursuant to a business closing is denied. The claimant is eligible for benefits pursuant to layoff provided she meets all other eligibility requirements. Those benefits may be charged to the employer's account.

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James E. Timberland  
Administrative Law Judge

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Decision Dated and Mailed

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