

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

DANIELLE L HOLDGRAFER
Claimant

APPEAL NO: 06A-09150-DWT

**ADMINISTRATIVE LAW JUDGE
DECISION**

QUALITY ENGINEERING & MACHINE LLC
Employer

**OC: 07/23/06 R: 04
Claimant: Respondent (1)**

Section 96.3-5 – Business Closing

STATEMENT OF THE CASE:

Quality Engineering & Machine LLC (employer) appealed a representative's September 11, 2006 decision (reference 02) that concluded Danielle L. Holdgrafer (claimant) was eligible to have her maximum benefits based on a business closing. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on September 26, 2006. The claimant participated in the hearing. Jim Gulzinski, an owner, appeared on the employer's behalf. Based on the evidence, the arguments of the parties, and the law, the administrative law judge enters the following findings of fact, reasoning and conclusions of law, and decision.

ISSUE:

Is the claimant entitled to have her maximum benefit amount increased because the employer closed a facility in Maquoketa?

FINDINGS OF FACT:

The claimant started working for the employer in February 2005. She worked as a full-time utility person. The claimant worked at the employer's Maquoketa plant, which was eight miles from her residence.

The employer needed a bigger facility and made a business decision to close the plant in Maquoketa and move the business to Davenport. Employees were informed of this fact and given a dollar per hour raise to help compensate for the miles they would drive to work. The claimant lived approximately 48 miles from the employer's Davenport plant.

Initially, the claimant indicated she would work in Davenport. On July 17, 2006, the claimant informed the employer she had decided she could not work in Davenport. The claimant worked until July 21, the last day the employer had any work for her to do at the Maquoketa facility. The employer closed the Maquoketa plant after moving to the larger Davenport facility.

REASONING AND CONCLUSIONS OF LAW:

If a claimant becomes unemployed due to her employer going out of business at the premises at which the claimant last worked, the maximum benefits payable shall be extended to 39 times the claimant's weekly benefit amount or one-half of the total base period wages, whichever is less. Iowa Code § 96.3.5, 871 IAC 24.29(1). Going out of business means any factory or other premises which closes its door and ceases to function as a business. 871 IAC 24.29(2).

Iowa Code § 96.3-5 does not address a claimant's eligibility to receive benefits; this section of the law only addresses the amount of payment a claimant may receive. While the employer did not close its business operation, the employer closed the Maquoketa facility. Since the claimant worked at this facility and the employer closed it after moving to the larger Davenport facility, for unemployment insurance purposes the claimant is eligible to have her monetary determination be redetermined as a business closing.

The administrative law judge recognizes that appeal 06A-UI-09149-DWT affirmed an August 23 decision that concluded the claimant voluntarily quit her employment for reasons that qualify her to receive unemployment insurance benefits. As a practical matter, the claimant worked at the Maquoketa facility until she was laid off because the employer had no more work for her to do at this facility.

DECISION:

The representative's September 11, 2006 decision (reference 02) is affirmed. The claimant's monetary determination should be calculated based on the business closing provision of the law.

Debra L. Wise
Administrative Law Judge

Decision Dated and Mailed

dlw/kjw