#### IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

AARON M JAY Claimant ADMINISTRATIVE LAW JUDGE DECISION SALOW MECHANICAL INSULATION INC Employer OC: 02/15/15

Claimant: Respondent (4)

871 IAC 23.43(9) – Employer Liability on Combined Wage Claim

# STATEMENT OF THE CASE:

The employer filed a timely appeal from the April 16, 2015, reference 03, decision that held the employer's account with Iowa Workforce Development could be assessed for benefits paid to the claimant on a claim in another state. After due notice was issued, a hearing was held on May 28, 2015. Claimant Aaron Jay participated. Tiffany Salow represented the employer. Exhibit One was received into evidence. The administrative law judge took official notice of the Agency's administrative record of wages reported to Iowa Workforce Development by the claimant's employers (WAGE-A)

# ISSUE:

Whether the employer's account may be relieved of liability for benefits paid to the claimant on connection with a combined wage claim wherein Pennsylvania is the paying state and Iowa is the transferring state.

### FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Aaron Jay was employed by Salow Mechanical Insulation as a full-time insulation installer from February 11, 2014 until March 18, 2015 to accept other, full-time employment that paid better. Mr. Jay started the new employment on March 19, 2015. At the time Mr. Jay separated from Salow, that employer continued to have work available for him.

Mr. Jay subsequently established a claim for benefits in Pennsylvania and Iowa transferred wages to Pennsylvania to be included in the Pennsylvania combined wage claim.

### REASONING AND CONCLUSIONS OF LAW:

Workforce Development rule 871 IAC 23.43(9)(a) and (b), provides as follows:

Combined wage claim transfer of wages.

a. lowa employers whose wage credits are transferred from lowa to an out-of-state paying state under the interstate reciprocal benefit plan as provided in lowa Code

section 96.20 will be liable for charges for benefits paid by the out-of-state paying state. No reimbursement so payable shall be charged against a contributory employer's account for the purpose of Iowa Code section 96.7, unless wages so transferred are sufficient to establish a valid Iowa claim, and such charges shall not exceed the amount that would have been charged on the basis of a valid Iowa claim. However, an employer who is required by law or by election to reimburse the trust fund will be liable for charges against the employer's account for benefits paid by another state as required in Iowa Code section 96.8(5), regardless of whether the Iowa wages so transferred are sufficient or insufficient to establish a valid Iowa claim. Benefit payments shall be made in accordance with the claimant's eligibility under the paying state's law. Charges shall be assessed to the employer which are based on benefit payments made by the paying state.

*b*. The lowa employer whose wage credits have been transferred and who has potential liability will be notified on Form 65–5522, Notice of Wage Transfer, that the wages have been transferred, the state to which they have been transferred, and the mailing address to which a protest of potential charges may be mailed. This protest must be postmarked or received by the department within ten days of the date the Form 65–5522 was mailed to be considered as a timely protest of charges. If the protest from either the reimbursable or contributory employer justifies relief of charges, charges shall go to the balancing account.

Iowa Code § 96.5-1-a provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department. But the individual shall not be disqualified if the department finds that:

a. The individual left employment in good faith for the sole purpose of accepting other or better employment, which the individual did accept, and the individual performed services in the new employment. Benefits relating to wage credits earned with the employer that the individual has left shall be charged to the unemployment compensation fund. This paragraph applies to both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The evidence in the record establishes that the claimant voluntarily quit the employment effective March 18, 2015 for the sole purpose of accepting other employment and performed work for the new employer. The claimant's voluntary quit was without good cause attributable to the employer. The employer's account would be relieved of liability on an Iowa claim for benefits. Accordingly, the employer's account will be relieved of liability in connection with the combined wage claim filed in Pennsylvania and charges will go to the balancing account.

This decision has no impact on the claimant's eligibility in connection with the Pennsylvania claim. In addition, in the event the claimant files a future Iowa claim, the claimant's March 18, 2015 separation from Salow would not disqualify the claimant for unemployment insurance benefits.

### **DECISION:**

The April 16, 2015, reference 03, decision is modified as follows. The claimant's March 18, 2015 voluntary quit to accept other employment was without good cause attributable to the employer. The employer's account would be relieved of liability on an Iowa claim for benefits. Accordingly, the employer's account will be relieved of liability in connection with the combined wage claim filed in Pennsylvania and charges will go to the balancing account.

James E. Timberland Administrative Law Judge

Decision Dated and Mailed

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