IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

STEPHEN R HENRICHS Claimant

APPEAL NO. 08A-UI-02870-S2T

ADMINISTRATIVE LAW JUDGE DECISION

GREAT PLAINS COMPANIES

Employer

OC: 02/24/08 R: 03 Claimant: Respondent (4)

871 IAC 24.1(113)a – Separations From Employment

STATEMENT OF THE CASE:

Great Plains Companies (employer) appealed a representative's March 21, 2008 decision (reference 01) that concluded Stephen Henrichs (claimant) was eligible to receive unemployment insurance benefits. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was scheduled for April 9, 2008. The claimant did not provide a telephone number for the hearing and, therefore, did not participate. The employer participated by Janet Gillis, Administration Manager.

ISSUE:

The issue is whether the claimant is eligible to receive unemployment insurance benefits.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and having considered all of the evidence in the record, finds that: The claimant was hired on August 23, 1995. The company sold that subsidiary to Gilcrest-Jewett on December 31, 2007. The claimant became an employee of Gilcrest-Jewett at that time. The claimant was laid off from work from Gilcrest-Jewett in February 2008. No transfer of experience occurred between the transferring and acquiring employers.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant was laid off due to a lack of work.

Iowa Code section 96.5-1-i 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:

i. The individual is unemployed as a result of the individual's employer selling or otherwise transferring a clearly segregable and identifiable part of the employer's business or enterprise to another employer which does not make an offer of suitable work to the individual as provided under subsection 3. However, if the individual does accept, and works in and is paid wages for, suitable work with the acquiring employer, the benefits paid which are based on the wages paid by the transferring employer shall be charged to the unemployment compensation fund provided that the acquiring employer has not received, or will not receive, a partial transfer of experience under the provisions of section 96.7, subsection 2, paragraph "b". Relief of charges under this paragraph applies to both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5.

The employer sold a subsidiary to an acquiring employer. The claimant accepted and worked for the acquiring employer. The employer did not transfer experience to the acquiring employer. The claimant is eligible to receive unemployment insurance benefits. This employer will not be charged.

DECISION:

The representative's March 21, 2008 decision (reference 01) is modified in favor of the appellant. The claimant is eligible to receive unemployment insurance benefits. This employer will not be charged.

Beth A. Scheetz Administrative Law Judge

Decision Dated and Mailed

bas/kjw