IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

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

LUANNA L VANHOUTEN

Claimant

APPEAL NO. 13A-UI-07371-H2

ADMINISTRATIVE LAW JUDGE DECISION

KINSETH HOTEL CORPORATION

Employer

OC: 04/28/13

Claimant: Respondent (2R)

Iowa Code § 96.5(1) – Voluntary Leaving Iowa Code § 96.3(7) – Recovery of Benefit Overpayment

STATEMENT OF THE CASE:

The employer filed an appeal from the June 11, 2013, (reference 01) unemployment insurance decision that allowed benefits. After due notice was issued an in person hearing was held on October 1, 2013 in Des Moines, Iowa. Claimant participated along with boyfriend, Paul Salazar. Employer participated through Matthew Monaco, Chef and Banquet Manager and through Greg Fontanini General Manager and was represented by Jacki Nolan of Employer's Unity. Employer's Exhibits One, Two and Three were entered and received into the record.

ISSUES:

Did the claimant voluntarily quit her employment without good cause attributable to the employer?

Has the claimant been overpaid any unemployment insurance benefits?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed part-time as a banquet server beginning on August 29, 2012 through January 12, 2013, when she voluntarily quit. The claimant was working that day and got into an argument with her daughter, Natasha, who also happened to be her lead worker or supervisor that day. The claimant told Natasha to "f*ck off" and then went into another room and began crying. She began having a panic attack and was told to go home for the day. The claimant had received her work schedule that included both January 12 and January 15 as work days. The claimant was a no-call no-show for work on January 15. The claimant was never told that she was discharged. She simply stopped reporting for work. A few days after January 15 she went back to the hotel and spoke to Mr. Fontanini and told him for the good of her relationship with her daughter she should just quit. Continued work may have been available for the claimant if she had shown up for work on January 15.

Claimant has received unemployment benefits since filing a claim with an effective date of April 28, 2013.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes claimant voluntarily left the employment without good cause attributable to the employer.

Iowa Code § 96.5-1 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.

871 IAC 24.25(6) provides:

Voluntary quit without good cause. In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer from whom the employee has separated. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to lowa Code § 96.5. However, the claimant has the initial burden to produce evidence that the claimant is not disqualified for benefits in cases involving lowa Code § 96.5, subsection (1), paragraphs "a" through "i," and subsection 10. The following reasons for a voluntary quit shall be presumed to be without good cause attributable to the employer:

(6) The claimant left as a result of an inability to work with other employees.

871 IAC 24.25(22) provides:

Voluntary quit without good cause. In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer from whom the employee has separated. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to lowa Code § 96.5. However, the claimant has the initial burden to produce evidence that the claimant is not disqualified for benefits in cases involving lowa Code § 96.5, subsection (1), paragraphs "a" through "i," and subsection 10. The following reasons for a voluntary quit shall be presumed to be without good cause attributable to the employer:

(22) The claimant left because of a personality conflict with the supervisor.

Claimant has the burden of proving that the voluntary leaving was for good cause attributable to the employer. Iowa Code § 96.6(2). A voluntary leaving of employment requires an intention to terminate the employment relationship accompanied by an overt act of carrying out that intention. *Local Lodge #1426 v. Wilson Trailer*, 289 N.W.2d 608, 612 (lowa 1980).

The claimant had a tumultuous relationship with her daughter who was her supervisor or lead worker. The administrative law judge is persuaded that the claimant knew she was to work on January 15 and chose not to go to work or to call in to report her absence. She then went to Mr. Fontanini and made it clear she was leaving because she could not get along with her daughter. Her leaving was without good cause attributable to the employer and benefits are denied.

Iowa Code § 96.3-7, as amended in 2008, provides:

- 7. Recovery of overpayment of benefits.
- a. If an individual receives benefits for which the individual is subsequently determined to be ineligible, even though the individual acts in good faith and is not otherwise at fault, the benefits shall be recovered. The department in its discretion may recover the overpayment of benefits either by having a sum equal to the overpayment deducted from any future benefits payable to the individual or by having the individual pay to the department a sum equal to the overpayment.
- b. (1) If the department determines that an overpayment has been made, the charge for the overpayment against the employer's account shall be removed and the account shall be credited with an amount equal to the overpayment from the unemployment compensation trust fund and this credit shall include both contributory and reimbursable employers, notwithstanding section 96.8, subsection 5. However, provided the benefits were not received as the result of fraud or willful misrepresentation by the individual, benefits shall not be recovered from an individual if the employer did not participate in the initial determination to award benefits pursuant to section 96.6, subsection 2, and an overpayment occurred because of a subsequent reversal on appeal regarding the issue of the individual's separation from employment. The employer shall not be charged with the benefits.
- (2) An accounting firm, agent, unemployment insurance accounting firm, or other entity that represents an employer in unemployment claim matters and demonstrates a continuous pattern of failing to participate in the initial determinations to award benefits, as determined and defined by rule by the department, shall be denied permission by the department to represent any employers in unemployment insurance matters. This subparagraph does not apply to attorneys or counselors admitted to practice in the courts of this state pursuant to section 602.10101.

Because claimant's separation was disqualifying, benefits were paid to which claimant was not entitled. The unemployment insurance law provides that benefits must be recovered from a claimant who receives benefits and is later determined to be ineligible for benefits, even though the claimant acted in good faith and was not otherwise at fault. However, the overpayment may not be recovered when it is based on a reversal on appeal of an initial determination to award benefits on an issue regarding the claimant's employment separation if: (1) the benefits were not received due to any fraud or willful misrepresentation by the claimant and (2) the employer did not participate in the initial proceeding to award benefits. If so, the employer will not be charged for benefits whether or not the overpayment is recovered. Iowa Code § 96.3(7). In this case, the claimant has received benefits but was not eligible for those benefits.

DECISION:

The June 11, 2013, (reference 01) decision is reversed. Claimant voluntarily left the employment without good cause attributable to the employer. Benefits are withheld until such time as she has worked in and been paid wages for insured work equal to ten times her weekly benefit amount, provided she is otherwise eligible.

Page 4 Appeal No. 13A-UI-07371-H2

REMAND:

The	matter	of	determining	the	amount	of	the	potential	overpayment	and	whether	the
overpayment should be recovered under Iowa Code § 96.3(7)b is remanded to the Agency.												

Teresa K. Hillary Administrative Law Judge

Decision Dated and Mailed

tkh/pjs