## IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS

TRICIA L	BROCK
Claimant	

# APPEAL NO. 20A-UI-04907-JTT

ADMINISTRATIVE LAW JUDGE DECISION

YOUNG MENS CHRISTIAN ASSOCIATION Employer

> OC: 03/29/20 Claimant: Appellant (2)

Iowa Code Section 96.19(38)(c) – Temporary Layoff

## STATEMENT OF THE CASE:

Tricia Brock filed a timely appeal from the May 19, 2020, reference 01, decision that disqualified her for benefits and that relieved the employer's account of liability for benefits, based on the deputy's conclusion that the Ms. Brock voluntarily quit on March 13, 2020 without good cause attributable to the employer. After due notice was issued, a hearing was held on June 24, 2020. Ms. Brock participated. Tami Ruppel represented the employer. Exhibits A through H were received into evidence. The administrative law judge took official notice of the benefits disbursed to the claimant (DBRO and KPYX).

#### **ISSUES:**

Whether the claimant voluntarily quit the employment without good cause attributable to the employer.

Whether the claimant was temporarily laid off.

#### FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Tricia Brock began her employment with the YMCA of Greater Des Moines in 2008. In October 2019, Ms. Brock transitioned from the position of part-time Coordinator to full-time Associate Mind and Body Director. Ms. Brock had been in the part-time Coordinator position for four years. While she was in the part-time position, she worked 20 to 30 hours per week. The full-time position involved working 40 hours per week. The full-time position was a salaried position that paid \$1,615.38 every two weeks. While Ms. Brock was in the full-time position, Britt German, Executive Director, was Ms. Brock's supervisor. Ms. Brock continued in the full-time position until March 13, 2020. By that date, Ms. Brock had given notice that she would be stepping down from the full-time, salaried position effective March 13, 2020 so that she could pursue a fitness-related self-employment venture. However, Ms. Brock would not be separating from the employer. Instead, Ms. Brock and Ms. German had agreed that Ms. Brock would transition to a part-time interim Associate Mind and Body Director position while Ms. German sought someone new for the full-time, salaried position. The employer did not complete payroll documentation in connection with Ms. Brock's transition from the full-time position to the part-time interim position. Ms. Brock and the employer also had an understanding that the employment relationship would not end once Ms. Brock concluded the part-time interim Associate Mind and Body Director duties. Instead, Ms. Brock would continue her employment with the YMCA as a part-time instructor at a satellite location.

Effective March 17, 2020, the employer temporarily laid off or furloughed 600 part-time staff. The layoff was in response to Governor Reynolds' March 17 State of Public Health Disaster Emergency proclamation in which the Governor ordered all fitness centers, health centers, and gyms to close immediately. On March 19, Ms. German communicated to Ms. Brock that the furlough included Ms. Brock. Ms. Brock remained available to perform the part-time interim duties, but the employer did not have such work for Ms. Brock to perform. Ms. Brock next performed work for the employer on June 4, 2020, when she participated in a Zoom meeting. Effective June 24, 2020, Ms. Brock returned to the Y in the part-time instructor position.

Ms. Brock established an original claim for unemployment insurance benefits that was effective March 29, 2020. The Y is the sole base period employer. Iowa Workforce Development set Ms. Brock's weekly benefit amount at \$348.00. IWD paid Ms. Brock \$2,088.00 in regular benefits for six weeks between March 29, 2020 and May 9, 2020. IWD also paid Ms. Brock \$3,600.00 in Federal Pandemic Unemployment Compensation for six weeks between March 29, 2020 and May 9, 2020.

## REASONING AND CONCLUSIONS OF LAW:

lowa Administrative Code rule 871-24.1(113) characterizes the different types of employment separations as follows:

Separations. All terminations of employment, generally classifiable as layoffs, quits, discharges, or other separations.

a. Layoffs. A layoff is a suspension from pay status initiated by the employer without prejudice to the worker for such reasons as: lack of orders, model changeover, termination of seasonal or temporary employment, inventory-taking, introduction of laborsaving devices, plant breakdown, shortage of materials; including temporarily furloughed employees and employees placed on unpaid vacations.

b. Quits. A quit is a termination of employment initiated by the employee for any reason except mandatory retirement or transfer to another establishment of the same firm, or for service in the armed forces.

c. Discharge. A discharge is a termination of employment initiated by the employer for such reasons as incompetence, violation of rules, dishonesty, laziness, absenteeism, insubordination, failure to pass probationary period.

d. Other separations. Terminations of employment for military duty lasting or expected to last more than 30 calendar days, retirement, permanent disability, and failure to meet the physical standards required.

In general, a voluntary quit requires evidence of an intention to sever the employment relationship and an overt act carrying out that intention. See Local Lodge #1426 v. Wilson Trailer, 289 N.W.2d 698, 612 (Iowa 1980) and Peck v. EAB, 492 N.W.2d 438 (Iowa App. 1992). 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. See Iowa Administrative Code rule 871-24.25.

An individual shall be deemed *temporarily unemployed* if the individual is unemployed *due to a plant shutdown, vacation, inventory, lack of work or emergency* from the individual's regular job or trade in which the individual worked and will again work, if the individual's employment,

although temporarily suspended, has not been terminated. See Iowa Code Section 96.19(38)(c).

The weight of the evidence establishes that Ms. Brock did not voluntarily quit the employment. Rather, the employer temporarily laid her off effective March 17, 2020. Ms. Brock did not sever the employment relationship. Prior to the March 17, 2020 layoff, Ms. Brock and the employer had entered into an agreement whereby Ms. Brock would transition from a full-time position to a related part-time position and then later would transition to another part-time position. The transition from the full-time to the part-time position was initiated by Ms. Brock. The layoff was initiated by the employer. The employer's failure to generate payroll documentation regarding the transition from the full-time employment to the part-time employment is not evidence on an intention on the part of Ms. Brock to sever the employment relationship. The March 17, 2020 temporary layoff would not disqualify Ms. Brock for benefits. In connection with the temporary layoff, Ms. Brock is eligible for benefits effective March 29, 2020, provided she meets all other eligibility requirements.

Iowa Code section 96.7(1) and (2) provides, in relevant part, as follows:

Employer contributions and reimbursements.

1. Payment. Contributions accrue and are payable, in accordance with rules adopted by the department, on all taxable wages paid by an employer for insured work.

2. Contribution rates based on benefit experience.

a. (1) The department shall maintain a separate account for each employer and shall credit each employer's account with all contributions which the employer has paid or which have been paid on the employer's behalf.

(2) The amount of regular benefits plus fifty percent of the amount of extended benefits paid to an eligible individual shall be charged against the account of the employers in the base period in the inverse chronological order in which the employment of the individual occurred.

(a) However, if the individual to whom the benefits are paid is in the employ of a base period employer at the time the individual is receiving the benefits, and the individual is receiving the same employment from the employer that the individual received during the individual's base period, benefits paid to the individual shall not be charged against the account of the employer. This provision applies to both contributory and reimbursable employers, notwithstanding subparagraph (3) and section 96.8, subsection 5.

In response to the economic impact of the COVID-19 pandemic, Iowa Workforce Development published on its website Unemployment Insurance Guidance for Employers and Workers. As part of that publication, the Agency announced that claims filed as a direct or indirect result of Covid-19 would not be charged to employers. See <u>https://www.iowaworkforcedevelopment.gov/COVID-19#ife</u>, Information for Employers. Based on this Agency pronouncement, the employer's account will not be charged.

The March 17, 2020 temporary layoff and Ms. Brock's claim for unemployment insurance benefits each directly resulted from the COVID-19 pandemic. The employer's account will not be charged for benefits paid to Ms. Brock in connection with the temporary layoff.

## DECISION:

The May 19, 2020, reference 01, decision is reversed. The claimant was temporarily laid off effective March 17, 2020. In connection with the temporary layoff, the claimant is eligible for benefits for the period beginning March 29, 2020, provided she is otherwise eligible. The employer's account will not be charged for benefits paid to the claimant in connection with the COVID-19 related temporary layoff.

James & Timberland

James E. Timberland Administrative Law Judge

July 17, 2020 Decision Dated and Mailed

jet/scn