

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

MATTHEW S STEPHENSON
Claimant

APPEAL NO. 09A-UI-15762-CT

**ADMINISTRATIVE LAW JUDGE
DECISION**

WOODSMALL ELECTRIC
Employer

**Original Claim: 09/13/09
Claimant: Respondent (1)**

Section 96.5(1) – Voluntary Quit

STATEMENT OF THE CASE:

Woodsmall Electric filed an appeal from a representative's decision dated October 12, 2009, reference 01, which held that no disqualification would be imposed regarding Matthew Stephenson's separation from employment. After due notice was issued, a hearing was held by telephone on November 23, 2009. Mr. Stephenson participated personally. The employer participated by Carmelita Stephenson, Business Manager, and Nathan Woodsmall, Operations Manager.

ISSUE:

At issue in this matter is whether Mr. Stephenson was separated from employment for any disqualifying reason.

FINDINGS OF FACT:

Having heard the testimony and having reviewed all of the evidence in the record, the administrative law judge finds: Mr. Stephenson was employed by Woodsmall Electric from May 19, 2006 until September 14, 2009. He worked full-time as an electrician and was last employed as a foreman. He quit the employment because of difficulties cashing his paycheck.

Mr. Stephenson's paycheck was drawn on the same bank as his personal account. Beginning in approximately July of 2009, his bank would no longer cash his paychecks because the employer did not have sufficient funds in the account. On or about August 1, he began depositing his paycheck into his parent's account. His paychecks from August 14, August 21, and August 28 all bounced after being deposited into his parent's account. The employer subsequently paid him and the service fees associated with the dishonored checks. Mr. Stephenson cashed his paycheck at Wal-Mart on September 10 but had to pay a \$3.00 service fee. Because of continuing problems with his paycheck, he quit the employment. He also quit because his wife, also employed by the company, had started dating the owner of the company after she and Mr. Stephenson separated.

REASONING AND CONCLUSIONS OF LAW:

An individual who leaves employment voluntarily is disqualified from receiving job insurance benefits unless the quit was for good cause attributable to the employer. Iowa Code section 96.5(1). Mr. Stephenson quit his employment because his paychecks bounced. The Iowa Wage Payment Collection Law, Iowa Code section 91A.5, requires that wages be paid when due. The employee must be able to negotiate, on payday, any financial instrument given as payment for wages.

Mr. Stephenson should have been able to deposit his paycheck into his personal account or cash it at his bank without worrying that it might bounce. The fact that the employer made good on all the checks at a later date does not alter the fact that Mr. Stephenson did not receive his pay on the designated pay date. The fact that he sometimes had to wait for his pay constituted an unlawful working condition as contemplated by 871 IAC 24.26(3). The fact that he sometimes had to search for someplace to cash the checks rather than using his own bank constituted an intolerable working condition within the meaning of 871 IAC 24.26(4).

For the reasons cited herein, the administrative law judge concludes that Mr. Stephenson quit his employment for good cause attributable to the employer. As such, benefits are allowed.

DECISION:

The representative's decision dated October 12, 2009, reference 01, is hereby affirmed. Mr. Stephenson quit his employment with Woodsmall Electric for good cause attributable to the employer. Benefits are allowed, provided he is otherwise eligible.

Carolyn F. Coleman
Administrative Law Judge

Decision Dated and Mailed

cfc/kjw