

**IN THE IOWA ADMINISTRATIVE HEARINGS DIVISION
UNEMPLOYMENT INSURANCE APPEALS BUREAU**

EZEKIEL S SHARON
Claimant

LOWE'S HOME CENTERS, LLC
Employer

APPEAL 24A-UI-07042-DZ-T

**ADMINISTRATIVE LAW JUDGE
DECISION**

**OC: 07/07/24
Claimant: Respondent (2)**

Iowa Code § 96.5(2)a – Discharge for Misconduct

STATEMENT OF THE CASE:

Lowe's Home Centers, LLC, the employer/appellant,¹ appealed the Iowa Workforce Development (IWD) August 1, 2024 (reference 04) unemployment insurance (UI) decision. IWD found Mr. Sharon eligible for REGULAR (state) UI benefits because IWD concluded the employer dismissed him from employment on July 4, 2024 for a reason that did not disqualify him from receiving UI benefits. On August 7, 2024, the Iowa Department of Inspections, Appeals, and Licensing (DIAL), UI Appeals Bureau mailed a notice of hearing to the employer and Mr. Sharon for a telephone hearing scheduled for August 21, 2024.

The administrative law judge held a telephone hearing on August 21, 2024. The employer participated in the hearing through Dennis Smith, assistant manager, operations. Mr. Sharon did not participate in the hearing. The administrative law judge admitted Department's Exhibit 1-2, and Employer's Exhibit 1-3 as evidence.

The administrative law judge concludes Mr. Sharon is not eligible for REGULAR (state) UI benefits based on how his job ended with this employer, and IWD did not overpay him any UI benefits during his current UI benefit year.

ISSUES:

Did the employer discharge Mr. Sharon from employment for disqualifying job-related misconduct?

Did IWD overpay Mr. Sharon UI benefits?

If so, should he repay the benefits?

FINDINGS OF FACT:

Having reviewed the evidence in the record, the administrative law judge finds: Mr. Sharon began working for the employer in about August 2023. He worked as a part-time receiver/stocker at the employer's West Des Moines, Jordan Creek location. His employment ended on July 4, 2024.

¹ Appellant is the person or employer who appealed.

On July 2, Mr. Sharon was unloading a truck with other employees. Mr. Sharon told the other employees that he wanted to see if he could knock a box from a ramp to a pallet. Mr. Sharon then got into a karate-like stance and punched a box. The box contained an exhaust fan. Mr. Sharon was not wearing safety gloves and he cut his hand and destroyed the fan. Co-workers wrapped Mr. Sharon's hand and called Mr. Smith. Mr. Smith arrived and took Mr. Sharon to the emergency room.

Two days later, Mr. Sharon admitted via an email statement to Mr. Smith that he punched the box and injured his hand. Mr. Smith reviewed video footage of the incident and confirmed that Mr. Sharon destroyed the fan and injured himself. The employer concluded that Mr. Sharon violated the safety policy by not wearing safety gloves, injuring himself, and putting his co-workers in danger. The employer also concluded that he violated policy when he damaged the employer property. The employer terminated Mr. Sharon's employment.

IWD had not paid Mr. Sharon any REGULAR (state) UI benefits during his current UI benefit year.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes 1) the employer discharged Mr. Sharon from employment on July 4, 2024 for disqualifying, job-related misconduct, and 2) IWD did not overpay him any REGULAR (state) UI benefits.

The Employer Terminated Mr. Sharon's Employment on July 4, 2024 For Disqualifying, Job-Related Misconduct, So He Is Not Eligible for REGULAR (state) UI Benefits

Iowa Code section 96.5(2)(a) and (d) provide, in relevant part:

An individual shall be disqualified for benefits:

2. Discharge for misconduct. If the department finds that the individual has been discharged for misconduct in connection with the individual's employment:

a. The individual shall be disqualified for benefits until the individual has worked in and has been paid wages for insured work equal to ten times the individual's weekly benefit amount, provided the individual is otherwise eligible.

d. For the purposes of this subsection, "misconduct" means a deliberate act or omission by an employee that constitutes a material breach of the duties and obligations arising out of the employee's contract of employment. Misconduct is limited to conduct evincing such willful or wanton disregard of an employer's interest as is found in deliberate violation or disregard of standards of behavior which the employer has the right to expect of employees, or in carelessness or negligence of such degree of recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employee's duties and obligations to the employer. Misconduct by an individual includes but is not limited to all of the following:

...

(3) Intentional damage of an employer's property. The employer has the burden of proof in establishing disqualifying job misconduct.² The issue is not whether the employer made a correct decision in separating Mr. Sharon from employment, but whether he is entitled to unemployment insurance benefits.³ Misconduct must be "substantial" to warrant a denial of job insurance benefits.⁴

The employer may establish reasonable work rules and expect employees to abide by them. The employer has presented credible evidence that Mr. Sharon damaged the employer property by punching a box. This is disqualifying misconduct. Mr. Sharon is not eligible for REGULAR (state) UI benefits.

IWD Did Not Overpay Mr. Sharon any REGULAR (state) UI Benefits,
So, He is Not Required to Repay Any UI Benefits Back to IWD

Iowa Code §96.3(7) provides, in relevant part:

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.

In this case, IWD did not pay Mr. Sharon any REGULAR (state) UI benefits during his current UI benefit year. So, IWD did not overpay Mr. Sharon.

² *Cosper v. Iowa Dep't of Job Serv.*, 321 N.W.2d 6 (Iowa 1982).

³ *Infante v. Iowa Dep't of Job Serv.*, 364 N.W.2d 262 (Iowa Ct. App. 1984).

⁴ *Newman v. Iowa Dep't of Job Serv.*, 351 N.W.2d 806 (Iowa Ct. App. 1984).

DECISION:

The August 1, 2024 (reference 04) UI decision is REVERSED. The employer discharged Mr. Sharon from employment on July 4, 2024 for disqualifying, job-related misconduct. Mr. Sharon is not eligible for REGULAR (state) UI benefits until he has worked in and been paid wages for insured work equal to ten times his weekly UI benefit amount, as long as no other decision denies him UI benefits.

IWD did not overpay Mr. Sharon any REGULAR (state) UI benefits during his current UI benefit year.



Daniel Zeno
Administrative Law Judge

August 22, 2024
Decision Dated and Mailed

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APPEAL RIGHTS. If you disagree with this decision, you or any interested party may:

1. Appeal to the Employment Appeal Board within fifteen (15) days of the date under the judge's signature by submitting a written appeal via mail, fax, or online to:

**Iowa Employment Appeal Board
6200 Park Avenue Suite 100
Des Moines, Iowa 50321
Fax: (515)281-7191
Online: eab.iowa.gov**

The appeal period will be extended to the next business day if the last day to appeal falls on a weekend or a legal holiday.

AN APPEAL TO THE BOARD SHALL STATE CLEARLY:

- 1) The name, address, and social security number of the claimant.
- 2) A reference to the decision from which the appeal is taken.
- 3) That an appeal from such decision is being made and such appeal is signed.
- 4) The grounds upon which such appeal is based.

An Employment Appeal Board decision is final agency action. If a party disagrees with the Employment Appeal Board decision, they may then file a petition for judicial review in district court.

2. If no one files an appeal of the judge's decision with the Employment Appeal Board within fifteen (15) days, the decision becomes final agency action, and you have the option to file a petition for judicial review in District Court within thirty (30) days after the decision becomes final. Additional information on how to file a petition can be found at Iowa Code §17A.19, which is online at <https://www.legis.iowa.gov/docs/code/17A.19.pdf> or by contacting the District Court Clerk of Court <https://www.iowacourts.gov/iowa-courts/court-directory/>.

Note to Parties: YOU MAY REPRESENT yourself in the appeal or obtain a lawyer or other interested party to do so provided there is no expense to Workforce Development. If you wish to be represented by a lawyer, you may obtain the services of either a private attorney or one whose services are paid for with public funds.

Note to Claimant: It is important that you file your weekly claim as directed, while this appeal is pending, to protect your continuing right to benefits.

SERVICE INFORMATION:

A true and correct copy of this decision was mailed to each of the parties listed.

DERECHOS DE APELACIÓN. Si no está de acuerdo con la decisión, usted o cualquier parte interesada puede:

1. Apelar a la Junta de Apelaciones de Empleo dentro de los quince (15) días de la fecha bajo la firma del juez presentando una apelación por escrito por correo, fax o en línea a:

**Iowa Employment Appeal Board
6200 Park Avenue Suite 100
Des Moines, Iowa 50321
Fax: (515)281-7191
En línea: eab.iowa.gov**

El período de apelación se extenderá hasta el siguiente día hábil si el último día para apelar cae en fin de semana o día feriado legal.

UNA APELACIÓN A LA JUNTA DEBE ESTABLECER CLARAMENTE:

- 1) El nombre, dirección y número de seguro social del reclamante.
- 2) Una referencia a la decisión de la que se toma la apelación.
- 3) Que se interponga recurso de apelación contra tal decisión y se firme dicho recurso.
- 4) Los fundamentos en que se funda dicho recurso.

Una decisión de la Junta de Apelaciones de Empleo es una acción final de la agencia. Si una de las partes no está de acuerdo con la decisión de la Junta de Apelación de Empleo, puede presentar una petición de revisión judicial en el tribunal de distrito.

2. Si nadie presenta una apelación de la decisión del juez ante la Junta de Apelaciones Laborales dentro de los quince (15) días, la decisión se convierte en acción final de la agencia y usted tiene la opción de presentar una petición de revisión judicial en el Tribunal de Distrito dentro de los treinta (30) días después de que la decisión adquiera firmeza. Puede encontrar información adicional sobre cómo presentar una petición en el Código de Iowa §17A.19, que se encuentra en línea en <https://www.legis.iowa.gov/docs/code/17A.19.pdf> o comunicándose con el Tribunal de Distrito Secretario del tribunal <https://www.iowacourts.gov/iowa-courts/court-directory/>.

Nota para las partes: USTED PUEDE REPRESENTARSE en la apelación u obtener un abogado u otra parte interesada para que lo haga, siempre que no haya gastos para Workforce Development. Si desea ser representado por un abogado, puede obtener los servicios de un abogado privado o uno cuyos servicios se paguen con fondos públicos.

Nota para el reclamante: es importante que presente su reclamo semanal según las instrucciones, mientras esta apelación está pendiente, para proteger su derecho continuo a los beneficios.

SERVICIO DE INFORMACIÓN:

Se envió por correo una copia fiel y correcta de esta decisión a cada una de las partes enumeradas.