

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

LOUISE BUTHERUS
Claimant

APPEAL NO. 21A-UI-23685-JTT

**ADMINISTRATIVE LAW JUDGE
DECISION**

IOWA WORKFORCE DEVELOPMENT

OC: 07/28/19
Claimant: Appellant (1R)

Iowa Code Section 96.3(7) – Overpayment of Benefits

STATEMENT OF THE CASE:

The claimant, Louise Butherus, filed a timely appeal from the October 20, 2021, reference 02, decision that held she was overpaid \$7,739.00 in regular state benefits for 15 weeks between April 12, 2020 and July 25, 2020, based on an earlier decision that disqualified the claimant for benefits in connection with a voluntary quit from Lamont, Ltd. After due notice was issued, a hearing was held on December 15, 2021. The claimant participated in the hearing. Exhibits A through D were received into evidence. The administrative law judge took official notice of the following Agency administrative records: DBIN, DBRO, KCCO, KPYX, KPY1, NMRO, WAGE-A, the August 16, 2019, reference 01, decision, the reference 01 fact-finding materials, the administrative law judge decision in Appeal Number 19A-UI-06580-DB-T, the September 8, 2020 Assessment for PUA Benefits, and the PUA Claim Detail. The administrative law judge has also taken official notice of the Agency's record of the outstanding overpayment balance.

ISSUE:

Whether the claimant was overpaid \$7,739.00 in regular state benefits for 15 weeks between April 12, 2020 and July 25, 2020, based on an earlier decision that disqualified the claimant for benefits in connection with a voluntary quit from Lamont, Ltd.

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds:

The claimant, Louise Butherus, established an original claim for benefits that was effective July 28, 2019. Iowa Workforce Development set the weekly benefit amount at \$518.00. The claimant initially made weekly claims for the period of July 28, 2019 through September 7, 2019, but did not receive benefits for that period.

On August 16, 2019, Iowa Workforce Development Benefits Bureau issued the reference 01 decision that disqualified the claimant for benefits and that held the employer account of Lamont, Ltd. would not be charged for benefits, based on the deputy's conclusion that the claimant had voluntarily quit the Lamont, Ltd. employment on February 1, 2019 without good cause attributable to the employer. The reference 01 decision stated the claimant would continue to be disqualified for benefits until she worked in and was paid wages for insured work

equal to 10 times her weekly benefit amount. The claimant has not met the requalification earnings requirement.

The claimant appealed the August 16, 2019, reference 01, decision. The claimant subsequently decided not to further pursue the appeal. On September 12, 2019, an administrative law judge entered as default decision in Appeal Number 19A-UI-06580-DB-T. The administrative law judge dismissed the appeal, based on the claimant's non-appearance for a September 12, 2019 appeal hearing. The administrative law judge held the claimant was in default on her appeal and left the August 16, 2019, reference 01, decision in place. The claimant did not appeal the administrative law judge's decision.

During the week that started February 2, 2020, the claimant established an "additional claim" for benefits. The claimant did not commence making weekly claims at that time.

During the week that started April 12, 2020, the claimant reactivated her claim for benefits and commenced making weekly claims. The claimant continued to make weekly claims through the benefit week that ended October 10, 2020.

Despite the August 16, 2019, reference 01, decision that disqualified the claimant for benefits, and despite the administrative law judge decision that left the reference 01 disqualification decision in effect, Iowa Workforce Development commenced paying weekly benefits in connection with the April 12, 2020 reactivated claim. Iowa Workforce Development paid and the claimant received \$7,739.00 in regular state benefits for 15 weeks between April 12, 2020 and July 25, 2020. These are benefits at issue in the overpayment decision from which the claimant appeals in the present matter.

On May 10, 2020, the claimant made late weekly claims for each of the weeks between February 2, 2020 through April 11, 2020.

On September 8, 2020, Iowa Workforce Development Benefits Bureau issued an Assessment for PUA Benefits that held the claimant was eligible for Pandemic Unemployment Assistance (PUA) benefits in the weekly amount of \$318.00 effective February 2, 2020. The Claim Detail associated with the September 8, 2020 decision indicates the PUA allowance was for the period beginning February 2, 2020 through June 12, 2021, the date Iowa's participation in the federal benefits programs ended.

On September 14, 2020, in response to the September 8, 2020 decision allowing PUA benefits, an Iowa Workforce Development Benefits Bureau deputy reentered weekly claims for the 12 weeks between February 2, 2020 and April 18, 2020 and for six weeks between July 26, 2020 and September 5, 2020. The Benefits Bureau then disbursed \$5,406 in PUA benefits to the claimant for 17 weeks ($\$318.00 \times 17 = \$5,406.00$) ending September 5, 2020. This lump sum payment appears to have purposely omitted a payment of PUA benefits for the week ending April 18, 2020. The Benefits Bureau also paid \$318.00 in PUA benefits to the claimant for each of the five weeks between September 6, 2020 and October 10, 2020. The Benefits Bureau appears to have purposely omitted payment of PUA Benefits for the period of April 12, 2020 through July 25, 2020, the period for which the claimant had received \$518.00 in regular benefits.

Iowa Workforce Development records show an outstanding overpayment balance of \$7,739.00, the full amount of the regular benefits the claimant received for the period of April 12, 2020 through July 25, 2020, rather than an outstanding overpayment amount that would reflect the

difference between the \$7,739.00 payment of regular benefits and PUA benefits for that same 15-week period.

REASONING AND CONCLUSIONS OF LAW:

Iowa Code section 96.3(7) provides, in pertinent 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.

Because the reference 01 decision disqualified the claimant for regular benefits, and because the reference 01 decision remains in effect, the \$7,739.00 in regular state benefits that were paid to the claimant for 15 weeks between April 12, 2020 and July 25, 2020 are indeed an overpayment of benefits. The law requires that the regular benefits be repaid.

This matter will be remanded to the Benefits Bureau for further action concerning PUA eligibility for the period of April 12, 2020 through July 25, 2020. Specifically, the Benefits Bureau should determine whether an offset of PUA benefits should have been taken against the \$7,739.00 in regular benefits for that period, thereby substantially reducing the amount the claimant must repay. Please see the final three paragraphs in the Findings of Fact, above.

DECISION:

The October 20, 2021, reference 02, decision is affirmed. The claimant was overpaid \$7,739.00 in regular state benefits for 15 weeks between April 12, 2020 and July 25, 2020, based the reference 01 decision that disqualified the claimant for regular state benefits in connection with the February 2019 separation from Lamont, Ltd.

This matter is **remanded** to the Benefits Bureau for further action concerning PUA eligibility for the period of April 12, 2020 through July 25, 2020. Specifically, the Benefits Bureau should determine whether an offset of PUA benefits should have been taken against the \$7,739.00 in regular benefits for that 15-week period, thereby substantially reducing the amount the claimant must repay. Please see the final three paragraphs in the Findings of Fact, above.



James E. Timberland
Administrative Law Judge

January 20, 2022
Decision Dated and Mailed

jet/mh