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Minn. Stat. § 480A.08, subd. 3 (2012).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A13-0723**

Larry Steffl,
Relator,

vs.

Department of Employment and Economic Development,
Respondent.

**Filed February 24, 2014
Reversed
Chutich, Judge**

Department of Employment and Economic Development
File No. 30806749-3

Larry Steffl, Sleepy Eye, Minnesota (pro se relator)

Lee B. Nelson, Department of Employment and Economic Development, St. Paul,
Minnesota (for respondent Department)

Considered and decided by Connolly, Presiding Judge; Chutich, Judge; and
Klaphake, Judge.*

UNPUBLISHED OPINION

CHUTICH, Judge

Relator Larry Steffl appeals the unemployment-law judge's decision that he was
ineligible for unemployment benefits the week of January 6, 2013. Because the record

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to
Minn. Const. art. VI, § 10.

does not substantially support the unemployment-law judge's finding concerning Steffl's attempt to file a new claim for unemployment benefits, we reverse.

FACTS

On Friday, January 11, 2013, Steffl drove to the workforce center in New Ulm from his home in Sleepy Eye. He testified that he intended to open up a new claim for unemployment benefits because he had only worked 24 hours that week. Steffl had been receiving unemployment benefits for part of the past 35 years because his primary employment was seasonal work. He testified that the employees at the workforce center stated that they could not open up claims, but that they would assist him in doing so. According to Steffl, the workforce center employees telephoned the Department of Employment and Economic Development (the department) for him. Steffl testified that a department representative told him that Steffl could file a claim and that January 6 would be his "waiting week" if his earnings were less than his benefit amount.¹ Steffl then testified that the representative told him to call back the following Tuesday, January 15, before 12:00 p.m.

Steffl called the department on Tuesday, January 15, and applied for benefits. The department determined that his claim was effective the week of January 13, 2013, and not the week of January 6. On January 31, 2013, the department issued a determination of

¹ The term, "waiting week," refers to the statutory eligibility condition that requires an applicant to not receive unemployment compensation for one week, in which they would otherwise qualify for benefits, to be eligible to receive benefits for the following weeks. Minn. Stat. § 268.085, subd. 1(6) (2012).

ineligibility, finding that Steffl was ineligible for benefits the week of January 6. Steffl appealed, and the unemployment-law judge conducted a brief hearing.

The unemployment-law judge determined that Steffl was not prevented from filing his application on January 11, which made him ineligible to receive benefits for the week of January 6. After Steffl's request for reconsideration was denied, this appeal by writ of certiorari followed.

D E C I S I O N

This court may modify or reverse an unemployment-law judge's decision "if the substantial rights of the petitioner may have been prejudiced because the findings, inferences, conclusion, or decision are . . . unsupported by substantial evidence in view of the entire record." Minn. Stat. § 268.105, subd. 7(d)(5) (2012). "Substantial evidence is (1) such relevant evidence as a reasonable mind might accept as adequate to support a conclusion; (2) more than a scintilla of evidence; (3) more than some evidence; (4) more than any evidence; or (5) the evidence considered in its entirety." *Dourney v. CMAK Corp.*, 796 N.W.2d 537, 539 (Minn. App. 2011) (quotation omitted).

We view an unemployment-law judge's factual findings "in the light most favorable to the decision [and give] deference to the credibility determinations made by the [unemployment-law judge]. As a result, this court will not disturb the [unemployment-law judge's] factual findings when the evidence substantially sustains them." *Peterson v. Nw. Airlines, Inc.*, 753 N.W.2d 771, 774 (Minn. App. 2008) (citations omitted), *review denied* (Minn. Oct. 1, 2008). But we review the interpretation and application of statutory language de novo. *See St. Otto's Home v. Minn. Dep't of Human*

Servs., 437 N.W.2d 35, 39–40 (Minn. 1989) (stating that “[w]hen a decision turns on the meaning of words in a statute or regulation, a legal question is presented” and “reviewing courts are not bound by the decision of the agency”).

The purpose of chapter 268 is to assist those “who are unemployed through no fault of their own.” Minn. Stat. § 268.03, subd. 1 (2012). The chapter is “remedial in nature and must be applied in favor of awarding . . . benefits,” and any provision precluding receipt of benefits must be “narrowly construed.” Minn. Stat. § 268.031, subd. 2 (2012).

Steffl argues that the unemployment-law judge erred when he determined that Steffl was not prevented from filing his application for unemployment benefits. An applicant’s benefit account “is effective the Sunday of the calendar week that the application was filed.” Minn. Stat. § 268.07, subd. 3b(a) (2012). An exception exists if “an individual attempted to file an application for unemployment benefits, but was prevented from filing an application by the department.” *Id.* In that case, “the application is effective the Sunday of the calendar week the individual first attempted to file an application.” *Id.*

On the determination of whether Steffl was prevented from filing an application, the unemployment-law judge found that Steffl:

[D]rove to the workforce center in New Ulm, Minnesota. He was told that he could file a claim and this would be his waiting week if his earnings were less than his weekly benefit amount. He did not complete his application to establish an unemployment benefit account until January 15, 2013. He was not prevented from filing an application by anyone.

At the hearing, Steffl stated that when he called the department to open a new claim for benefits, the department representative told him “you could qualify this week for a waiting week because you have to open up a new claim.” Then the department representative explained that he would only qualify if his earnings this week were less than his weekly benefit amount. Steffl stated, “So then he asked me, I think the social security number again. And, then my last number was three. And, then he said well you have to call in Tuesday then. Call in Tuesday before noon.”

The unemployment-law judge did not make a finding on whether the conversation occurred or what the substance of the conversation meant. Nothing in the record supports a finding that this conversation did not occur, unless the unemployment-law judge implicitly determined that Steffl was not credible. When the credibility of an involved party or witness testifying in an evidentiary hearing has a significant effect on the outcome of a decision, however, the unemployment-law judge “must set out the reason for crediting or discrediting that testimony.” Minn. Stat. § 268.105, subd. 1(c) (2012). If the unemployment-law judge did not find Steffl’s testimony credible, the judge was required to explain why. No explanation was given here.

The unemployment-law judge also found that Steffl “testified that he was not prevented from filing an application.” This oversimplifies Steffl’s testimony, however. At the hearing, the unemployment-law judge asked: “On January 11th were you prevented by anyone from filing an application?” Steffl responded: “No, I don’t think so. I mean I don’t know. I just went into the Workforce Center in New Ulm and tried to open a claim up.” The unemployment-law judge erroneously relied on this statement

because, at best, Steffl's statement shows that he was uncertain as to what "prevented" meant in this context.

Black's Law Dictionary defines to "prevent" to mean "[t]o hinder or impede." *Black's Law Dictionary* 1307 (9th ed. 2009). The evidence does not substantially support a finding that the department did not impede Steffl's ability to file a claim for unemployment benefits. Further, if Steffl was, in fact, told by the department representative to call back on January 15 before 12:00 p.m., as a matter of law, the department impeded his ability to file his application for unemployment benefits on January 11.

This case is similar to *Morales v. Dep't of Emp't & Econ. Dev.*, 713 N.W.2d 882 (Minn. App. 2006). In *Morales*, a relator called the department to apply for unemployment benefits. *Id.* at 883. The department incorrectly told the relator to wait to file his application until his employer made a decision whether to give him severance pay. *Id.* at 884. This court determined that the relator made a bona fide attempt to apply for benefits by calling the department and, as a matter of law, was prevented from doing so. *Id.* Here, we are not given any definitive information on why the department would not process Steffl's application, and why it asked him to call back on Tuesday before 12:00 p.m. And the unemployment-law judge did not make a finding on this fact.

Because the unemployment-law judge did not discredit Steffl's testimony about his conversation with the department representative and provide reasons for disbelieving Steffl, the finding that Steffl was not prevented from filing his application for unemployment benefits is unsupported by the record. We, therefore, reverse the

unemployment-law judge's decision that Steffl was ineligible for benefits the week of January 6, 2013.

Reversed.