

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A24-0542**

Jason F. Hansen,
Relator,

vs.

In'Tech Industries, Inc.,
Respondent,

Department of Employment and Economic Development,
Respondent.

**Filed November 25, 2024
Affirmed
Segal, Chief Judge**

Department of Employment and Economic Development
File No. 50188166-3

Jason F. Hansen, Mounds View, Minnesota (pro se relator)

Marcus P. Zelzer, Ruth S. Marcott, Kutak Rock LLP, Minneapolis, Minnesota (for respondent employer)

Keri A. Phillips, Katrina Gulstad, Minnesota Department of Employment and Economic Development, St. Paul, Minnesota (for respondent department)

Considered and decided by Bentley, Presiding Judge; Segal, Chief Judge; and
Johnson, Judge.

NONPRECEDENTIAL OPINION

SEGAL, Chief Judge

Relator challenges the determination of an unemployment-law judge (ULJ) that relator was ineligible for unemployment benefits because he quit his employment and did not qualify for an exception to ineligibility. We affirm.

FACTS

Relator Jason F. Hansen began working as a setup technician for respondent In'Tech Industries, Inc. in June 2013. In'Tech is a plastics manufacturer that makes component parts for hearing aids. Hansen's job was to set up the injection molds for the machines that make the plastic parts of the hearing aids. In July 2022, he fractured his left ring finger when his hand was trapped in an injection mold. As a result of the injury, Hansen's finger ultimately had to be amputated.

Hansen returned to work later in 2022. In'Tech initially explored having Hansen transition to an inspection role while maintaining the same pay, but Hansen was not interested in that role. Instead, Hansen returned to his role as a setup technician and In'Tech provided accommodation for Hansen's injury-related work restrictions.¹ Hansen continued to work as a setup technician with the accommodations until he separated from his employment in December 2023.

¹ Hansen's restrictions included that he could not lift or grip more than 30 pounds with his left hand. According to Hansen, he would need to be able to hold approximately 60 pounds in his left hand to get a mold into the machine without assistance. To accommodate Hansen's restrictions, In'Tech arranged for other employees to partially load the molds into the machines, and Hansen would thereafter finish the setup process.

Hansen filed a workers' compensation claim after his injury. He eventually agreed to resolve his workers' compensation claim through a separation agreement. Pursuant to the agreement, In'Tech agreed to pay Hansen \$2,032, and Hansen agreed to voluntarily resign from his employment and release In'Tech from any employment-related claims. The separation agreement included a term stating that it "contains the entire agreement between [Hansen] and [In'Tech]" and "[t]here are no other understandings between [Hansen] and [In'Tech] about any of the terms of th[e] Agreement."

After leaving his employment at In'Tech, Hansen applied for unemployment benefits. Respondent Minnesota Department of Employment and Economic Development (DEED) issued a determination of ineligibility, which Hansen appealed.

At the appeal hearing before the ULJ, Hansen testified that he "could do the essentials of [his] job" as a setup technician following his injury and that In'Tech had accommodated his workplace restrictions until the time he signed the separation agreement. Hansen indicated that In'Tech had never told him that the company did not have any work for him following his injury. The ULJ asked Hansen, "So it was your understanding that at the time that you quit, you could have continued to work for the employer for as long as you physically were able to?" Hansen answered, "Yes, I still wanted to do [that]." Hansen also confirmed that no one from In'Tech ever told him he was fired and that he voluntarily resigned from his employment to receive the severance package described in the separation agreement.

But Hansen also testified that, at the time he signed the separation agreement, he "was assured that [he] wasn't going to get contested for getting unemployment [benefits]."

He acknowledged that the separation agreement stated that it contained the entire agreement between the parties and that there was no provision stating that he would be entitled to unemployment benefits, but offered to call witnesses who would testify that he was told unemployment benefits would not be contested. Hansen further testified that he signed up to take classes for “HVAC public works . . . and electronic engineering technology,” after his employment separation, but that those classes were not scheduled to start until approximately four months later.

Following the hearing, the ULJ issued a decision determining that Hansen was ineligible for benefits. The ULJ found that Hansen could have continued working at In’Tech despite his injury, but Hansen instead decided “to accept the settlement and therefore end his employment.” The ULJ further determined that “[q]uitting to accept a separation agreement is not a good reason caused by the employer for quitting under Minnesota unemployment insurance law.”

Hansen requested reconsideration, again asserting that he had an understanding with his employer at the time he signed the separation agreement that he would be able to receive unemployment benefits. The ULJ subsequently issued an order affirming its determination that Hansen was ineligible for unemployment benefits. The ULJ explained:

The Separation Agreement signed by Hansen was not contingent upon him receiving unemployment benefits. Eligibility for unemployment benefits in Minnesota is governed by Minnesota unemployment law and administered by the Minnesota Department of Employment and Economic Development. Applicants and employers may not contract for someone to receive unemployment benefits; it is up to the DEED to determine eligibility under the law.

DECISION

When reviewing a ULJ's eligibility decision, this court may affirm, remand for further proceedings, or reverse or modify the decision if the substantial rights of the relator may have been prejudiced because the findings, inferences, conclusion, or decision are affected by an error of law or are unsupported by substantial evidence. Minn. Stat. § 268.105, subd. 7(d) (2022). We view factual findings in the light most favorable to the ULJ's decision and will not disturb those findings if they are substantially supported by the evidence in the record. *Skarhus v. Davanni's Inc.*, 721 N.W.2d 340, 344 (Minn. App. 2006).

An applicant for unemployment benefits is generally ineligible for benefits if the applicant quit their employment. Minn. Stat. § 268.095, subd. 1 (2022). The statute provides an exception to ineligibility, however, when an applicant quits employment "because of a good reason caused by the employer." *Id.*, subd. 1(1). The phrase "good reason caused by the employer" is defined in the statute as a reason "(1) that is directly related to the employment and for which the employer is responsible; (2) that is adverse to the worker; and (3) that would compel an average, reasonable worker to quit and become unemployed rather than remaining in the employment." *Id.*, subd. 3(a) (2022). Additionally, to qualify for the exception, "the applicant must complain to the employer and give the employer a reasonable opportunity to correct the adverse working conditions before that may be a good reason caused by the employer for quitting." *Id.*, subd. 3(c) (2022).

Hansen argues that he is eligible for unemployment benefits under the “good reason caused by the employer” exception. He maintains, in his brief, that In’Tech caused him to quit his employment because he “was medically unable to keep his employment with In’Tech Industries due to an unsafe work environment,” “was not given the option to keep employment even at a lower wage,” and that “[n]o other options were discussed about keeping employment with In’Tech before or at the time of signing the [separation] agreement.” But these assertions are inconsistent with Hansen’s own testimony at the hearing before the ULJ.

As described above, Hansen testified at the hearing that no one from In’Tech ever told him he was fired or that the company no longer had work for him. To the contrary, Hansen confirmed that In’Tech accommodated his workplace restrictions and that it was his understanding at the time he signed the separation agreement that he could have continued to work for In’Tech. And despite Hansen’s contention on appeal that he quit due to an unsafe work environment, Hansen chose to return to his role as a setup technician following his injury rather than transitioning to an inspection role at the same pay rate. Moreover, there is no evidence in the record that Hansen complained to In’Tech about an unsafe work environment, which is a statutory prerequisite to qualifying for the exception. *See id.*

The record thus provides ample support for the ULJ’s determination that the specific reason Hansen quit his employment was to receive the severance package and that his reason for quitting does not qualify under the “good reason caused by the employer” exception. *See, e.g., Kehoe v. Minn. Dep’t of Econ. Sec.*, 568 N.W.2d 889, 891 (Minn.

App. 1997) (“When an employee has the choice of remaining employed or voluntarily resigning and receiving a bonus, the termination of his employment is without good cause attributable to his employer.”); *Ward v. Delta Airlines*, 973 N.W.2d 649, 652-53 (Minn. App. 2022) (concluding that an employee who quit “because she felt that it was better to separate from employment with benefits rather than face a possible future lay off with no benefits” did not quit for a good reason caused by her employer), *rev. denied* (Minn. June 21, 2022).

Hansen also generally asserts for the first time on appeal that his employment was unsuitable and he quit to attend classes for retraining. The unemployment statute provides that, when these circumstances are present, an employee may be eligible for unemployment benefits despite having quit their employment. *See* Minn. Stat. § 268.095, subd. 1(4) (providing that an applicant who quit their employment is not ineligible for benefits if “the employment was unsuitable and the applicant quit to enter reemployment assistance training”). “Suitable employment means employment in the applicant’s labor market area that is reasonably related to the applicant’s qualifications.” Minn. Stat. § 268.035, subd. 23a(a) (2022). This court generally will not address arguments not raised before, or considered by, the ULJ. *Ward*, 973 N.W.2d at 653 (“Because the ULJ was not asked to address this argument in the decision, it is not appropriately before this court.”). But even if it were properly before the court, the record and decision by the ULJ belie this assertion.

As previously discussed, Hansen testified that, despite his injury, he was still able to “do the essentials of [his] job” and that In’Tech accommodated his limitations in a manner that allowed him to continue his employment as a setup technician. Hansen further

indicated that he “still wanted to” continue his employment at In’Tech after his injury, but ultimately chose to resign and accept the severance payment. There is no basis in the record to support Hansen’s claim that the position was unsuitable under the statute.

Hansen’s final argument is that he had an understanding with his employer that he would be able to receive unemployment benefits after he left his employment with In’Tech. While troubling if this was the case, the ULJ was nevertheless correct in ruling against Hansen on this issue. As the ULJ noted in its decision affirming the ineligibility determination, entitlement to unemployment benefits is governed by statute and may not be based upon an agreement between an employee and employer. Indeed, Minn. Stat. § 268.069, subd. 2 (2022), provides: “Any agreement between an applicant and an employer is not binding on the commissioner in determining an applicant’s entitlement.” Further, “[t]here is no equitable or common law denial or allowance of unemployment benefits.” Minn. Stat. § 268.069, subd. 3 (2022). Because any agreement as to eligibility is not binding on the ULJ and there is no provision allowing the payment of benefits on the grounds of equity, we lack authority to reverse the ULJ’s determination on this ground.

Affirmed.