

Nelson v. Franklin Group, Inc.

Case Summary
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In *Nelson v. Franklin Group, Inc.*, the Supreme Court of Idaho held, pursuant to the Idaho Administrative Procedure Act (IDAPA), that lack of a legible postal mark date was not dispositive in determining whether a protest of determination letter was untimely.¹ Rather, the Court held, common sense and “the laws of time, space, and logic” could serve as a reasonable means to infer the timeliness of mailing an appeal.²

In February 2019, Mrs. Nelson applied for, and was denied, unemployment benefits after quitting her job at Franklin Group, Inc.³ Upon denying Mrs. Nelson’s claim for benefits, the Idaho Department of Labor (“the Department”) reasoned that Mrs. Nelson was not entitled to unemployment benefits because she did not exhaust reasonable alternatives to quitting.⁴ The department informed Mrs. Nelson that she could protest the determination, but required that the protest letter be faxed, hand delivered, or mailed to the Department within 14 days.⁵ This notice designated March 6, 2019, as the “last day to protest.”⁶

Mrs. Nelson decided to protest the Department’s determination and sent a protest letter, which was received by the Department at their Boise, Idaho office on March 7th.⁷ This letter was stamped with a partial postmark indicating that the letter had been processed at a Salt Lake City sorting facility, but, due to an illegible postmark date, the Department denied her protest.⁸ In the appeals to both the Appeals Examiner and the Industrial Commission, the Department reasoned that the lack of a legible postmark date required the conclusion that the protest was received on the reception date, March 7th, one day later than the required reception date.⁹ The Industrial Commission explained that while there was no reason to doubt that Mrs. Nelson had sent in the letter by the protest deadline, the illegible postmark gave the Department no other alternative but “to establish the date the envelope was delivered to the Appeals Bureau as the filing date.”¹⁰ Mrs. Nelson then sought appeal of the Department’s decision in court.¹¹

Mrs. Nelson argued that the timeliness of her protest submission was evidenced by a receipt of stamps that her husband had purchased on March 1st, in addition to the fact that the letter had to be routed from Pocatello, Idaho, to a sorting facility in Salt Lake City, Utah, before

¹ *Nelson v. Franklin Grp., Inc.*, 462 P.3d 1166, 1170, 166 Idaho 702, 706 (2020).

² *Id.*

³ *Id.* at 1167, 166 Idaho at 703.

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Nelson*, 462 P.3d at 1168, 166 Idaho at 704.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 1168–69, 166 Idaho 704–05.

¹¹ *Id.* at 1169, 166 Idaho at 705.

being shipped to Boise, Idaho.¹² Essentially Mrs. Nelson’s claim rested on an argument that proof of her timeliness may be reasonably inferred by the postmark indicating that the letter was postmarked at the Salt Lake City sorting facility and received in Boise on the 7th; a series of events that would require the conclusion that the letter was sent on or before March 6th, the ultimate date required for a timely appeal.¹³

The Idaho Supreme Court, relying on the Idaho Administrative Procedures Act (IDAPA), agreed with Mrs. Nelson. The IDAPA states in relevant part:

If mailed, [an] appeal will be deemed filed on the date of mailing as determined by the postmark on the envelope containing the appeal, *unless a party establishes by a preponderance of the evidence that but for error by the U.S. Postal Service, the envelope would have been postmarked within the period for timely appeal.* If such a postal error is established, the appeal will be deemed to be timely filed.¹⁴

In its analysis, the Court illustrated precedent, which has established “that the postmark date is the date of filing an appeal.”¹⁵ In making its determination, the Court distinguished the present case from its previous decision in *Smith v. Idaho Department of Labor*.¹⁶ In *Smith*, the Court held that “the appellant bears the burden of providing evidence that USPS took custody of the letter on a particular day,” when a letter lacks USPS postmark.¹⁷ The appellant in *Smith* was unable to meet the burden of proof since the Department did not receive the letter, which lacked a postmark, until two weeks after the deadline.¹⁸ However in Mrs. Nelson’s case, the Court explained that “the record clearly establishes that the letter could not have been mailed and delivered within the same day.”¹⁹ Meaning that since the letter was received by the Department on March 7th, the letter had to have been mailed on or before the deadline on March 6th.²⁰

The Court concluded that by “application of reason and common sense,” the letter had to have been mailed by the deadline.²¹ The Court further clarified that although administrative lawmakers are sworn by oath to remain faithful to the law, there was no need for the Department to ignore common sense in applying the law.²² The Court explained that the record entailed “substantial and competent evidence” to support the conclusions that the letter was filed before the deadline.²³ Therefore, the court reversed and remanded the case for the consideration of Mrs. Nelson’s protest to the denial of her unemployment benefits.²⁴

¹² *Id.* at 1168, 166 Idaho at 704.

¹³ *See Nelson*, 462 P.3d at 1168, 166 Idaho 702.

¹⁴ IDAHO ADMIN. CODE R. 09.01.01.035.02 (2021) (emphasis added).

¹⁵ *Nelson*, 462 P.3d at 1169, 166 Idaho 702.

¹⁶ *Id.*; *Smith v. Idaho Dep’t of Labor*, 218 P.3d 1133, 148 Idaho 72 (2009).

¹⁷ *Nelson*, 462 P.3d at 1169, 166 Idaho 702 (citing *Smith*, 218 P.3d at 1137, 148 Idaho at 76).

¹⁸ *Id.* (citing *Smith*, 218 P.3d at 1137, 148 Idaho at 76).

¹⁹ *Id.* at 1170, 166 Idaho 702.

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ *Nelson*, 462 P.3d at 1170, 166 Idaho 702.

²⁴ *Id.*

