

In the meantime, the Claimant began looking for other employment until he could be reassigned. (21:40-22:30) A couple of weeks later, the Employer reassigned Mr. King to its only other available client in the area, Menards, but they didn't discuss his pay rate. (24:15-24:18; 45:55-47:00; 47:50-48:20) Mr. King assumed his pay rate would be the same \$11/hour he'd been earning for over the past year. (24:54-25:05; 49:00) The Claimant went through two days of training (June 22nd and June 23rd) (18:07-18:10; 22:48-23:08; 50:45-50:47). On June 24th, the Claimant learned that his pay would be no more than \$10/hour after being paid only \$7.25/hour for his two days of training that he had to repeatedly request. (26:35-27:05; 28:45-31:21; 38:20-39:49; 41:29-41:39; 49:16; 52:40-52:47)

Mr. King chose not to continue that assignment because he didn't feel that the reduction in his pay, the distance, plus the difficult conditions under which he had to work, was worth returning to Menards. (31:26-32:09; 33:01-33:24; 34:16-34:22; 51:43-51:56; 53:15-53:46; 55:46-56:13)

REASONING AND CONCLUSIONS OF LAW:

871 IAC 24.26(1) provides:

Voluntary quit with good cause attributable to the employer and separations not considered to be voluntary quits. The following are reasons for a claimant leaving employment with good cause attributable to the employer:

A change in the contract of hire. An employer's willful breach of contract of hire shall not be a disqualifying issue. This would include any change that would jeopardize the worker's safety, health, or morals. The change of contract of hire must be substantial in nature and could involve changes in working hours, shifts, remuneration, location of employment, drastic modification in type of work, etc. Minor changes in a worker's routine of the job would not constitute a change of contract of hire.

"Change in the contract of hire" means a substantial change in the terms or conditions of employment. See Wiese v. Iowa Dept. of Job Service, 389 N.W.2d 676, 679 (Iowa 1986). Generally, a substantial reduction in hours or pay will give an employee good cause for quitting. See Dehmel v. Employment Appeal Board, 433 N.W.2d 700 (Iowa 1988). In analyzing such cases, the Iowa Courts look at the impact on the claimant, rather than the employer's motivation. Id. The test is whether a reasonable person would have quit under the circumstances. See Aalbers v. Iowa Department of Job Service, 431 N.W.2d 330 (Iowa 1988); O'Brien v. Employment Appeal Bd., 494 N.W.2d 660 (1993). An employee acquiesces in a change in the conditions of employment if he or she does not resign in a timely manner. See Olson v. Employment Appeal Board, 460 N.W.2d 865 (Iowa Ct. App. 1990). The touchstone in deciding whether a delay in resigning will disqualify the Claimant from benefits is whether his "conduct indicates he accepted the changed in his contract of hire." Olson at 868.

The findings of fact show how we have resolved the disputed factual issues in this case. We have carefully weighed the credibility of the witnesses and the reliability of the evidence. Both parties agree that the

Claimant was paid \$11.00 for his last assignment, which lasted over a year. And although Mr. King actually accepted the assignment prior to knowing what it paid, it was not wholly unreasonable for him to believe that he would be paid the same given his prior year's experience. We cannot say that the Claimant acquiesced in the new terms of his employment, because once it was made clear that he would be earning 9% less than his previous job, coupled with his very brief experience (two days), he quit. Based on this record, we conclude that the Claimant had a change in his contract of hire for which he was justified in quitting.

DECISION:

The administrative law judge's decision dated August 17, 2016 is **REVERSED**. The Employment Appeal Board concludes that the Claimant voluntarily quit with good cause attributable to the Employer. Accordingly, the Claimant is allowed benefits provided he is otherwise eligible.

Kim D. Schmett

Ashley R. Koopmans

James M. Strohman

AMG/fnv

DATED AND MAILED: _____