

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

68-0157 (9-06) - 3091078 - EI

RICKY R HEUER
Claimant

APPEAL NO. 07A-UI-01170-S2T

**ADMINISTRATIVE LAW JUDGE
DECISION**

GUARDSMARK
Employer

**OC: 12/31/06 R: 02
Claimant: Respondent (1)**

Section 96.5-1 - Voluntary Quit
871 IAC 24.26(1) – Voluntary Leaving – Change in Contract of Hire

STATEMENT OF THE CASE:

Guardsmark (employer) appealed a representative's January 26, 2007 decision (reference 01) that concluded Ricky Heuer (claimant) was discharged and there was no evidence of willful or deliberate misconduct. After hearing notices were mailed to the parties' last-known addresses of record, a telephone hearing was held on February 15, 2007. The claimant participated personally. The employer participated by Steve Armstrong, Branch Manager.

ISSUE:

The issue is whether the claimant voluntarily quit work with good cause attributable to the employer.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and having considered all of the evidence in the record, finds that: The claimant was hired on November 23, 2004, as a full-time site supervisor assigned to work at American Republic. He was paid \$12.00 per hour and worked days. On or about December 22, 2006, the employer told the claimant that American Republic did not want the claimant to stay at their location. The employer told the claimant he would be reassigned to work at the Des Moines Register earning \$8.50 per hour in a position that was not supervisory working an overnight shift. The claimant gave the employer two weeks notice of his resignation. The claimant's last day of work was January 5, 2007.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant did voluntarily leave the employment with good cause attributable to the employer.

Iowa Code section 96.5-1 provides:

An individual shall be disqualified for benefits:

1. Voluntary quitting. If the individual has left work voluntarily without good cause attributable to the individual's employer, if so found by the department.

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:

(1) A change in the contract of hire. An employer's willful breach of contract of hire shall not be a disqualifiable 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 on the job would not constitute a change of contract of hire.

In general, a substantial pay reduction of 25 to 35 percent or a similar reduction of working hours creates good cause attributable to the employer for a resignation. *Dehmel v. EAB*, 433 N.W.2d 700 (Iowa 1988). Inasmuch as the claimant would suffer an approximately \$140.00 per week reduction in his income, the change of the original terms of hire is considered substantial. Thus, the separation was with good cause attributable to the employer. Benefits are allowed.

DECISION:

The representative's January 26, 2007 decision (reference 01) is affirmed. The claimant voluntarily left his employment with good cause attributable to the employer. Benefits are allowed, provided the claimant is otherwise eligible.

Beth A. Scheetz
Administrative Law Judge

Decision Dated and Mailed

bas/kjw