IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

JAMES J TURNIS

Claimant

APPEAL 16A-UI-12169-LJ-T

ADMINISTRATIVE LAW JUDGE DECISION

SPEIDEL & SONS WELL CO

Employer

OC: 01/24/16

Claimant: Appellant (1)

Iowa Code § 96.5(1) – Voluntary Quitting

Iowa Admin. Code r. 871-24.25(6) - Inability to Work with Others

Iowa Admin. Code r. 871-24.25(27) - Refusal to Perform Assigned Work

STATEMENT OF THE CASE:

The claimant filed an appeal from the November 1, 2016, (reference 01) unemployment insurance decision that denied benefits based upon a determination that claimant voluntarily quit his employment by refusing to continue working. The parties were properly notified of the hearing. A telephone hearing was held on November 29, 2016. The claimant, James Turnis, participated. The employer, Speidel and Sons Well Company, participated through Steve Speidel (co-owner, manager, pump installer, and well driller) and Dave Speidel (co-owner and well driller). Claimant's Exhibits A, B, and C were received and admitted into the record.

ISSUE:

Did claimant voluntarily quit the employment with good cause attributable to employer?

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: Claimant was employed full time, most recently as a well driller, from September 2001 until September 19, 2016, when he quit effective immediately.

Prior to 2016, the employer had paid one-half the amount of claimant's health insurance premiums. Starting in 2016, claimant went on Medicare. The employer testified that claimant had never received the paperwork to reimburse claimant for half of his premium amount, so it had not taken any action. Claimant testified that the employer should not pay one-half of his new premium amount, as it was lower than his old premium amount and he did not want to be subjected to a pay cut. Claimant first approached Dave Speidel about this matter several weeks before speaking with Steve Speidel. On September 15, claimant had a discussion with Steve Speidel about his insurance benefits.

Claimant testified that sometime in June or July, Steve Speidel agreed to drill a new well for one of claimant's sons. Speidel denies ever agreeing to drill this well. Claimant did not pay any money in exchange for the well to be drilled, and this was not any part of claimant's compensation from the employer. Steve Speidel testified that he and claimant had discussed this matter but denies he agreed to drill anything.

Claimant placed a hand-written document on Steve Speidel's desk on or about September 19, regarding the well he believes Speidel agreed to drill, the health insurance issue, and several days off that claimant was requesting. (Exhibit A) Speidel hand-wrote a response to claimant's requests in red marker and gave it back to him. (Exhibit C) Speidel testified that he was trying to tell claimant to speak with Dave Speidel about the issues, as Steve had handed over management responsibility to him. Claimant took the document and spoke to Dave Speidel. Claimant told Dave Speidel that he could not be there if Steve Speidel would not honor the agreement to drill the wells. Claimant then left and did not return to work. He and Dave Speidel had a conversation after this incident about the health insurance issue. Continued work was available.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes claimant separated from employment without good cause attributable to the employer. Benefits are withheld.

Iowa Code §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.

Iowa Admin. Code r. 871-24.25 provides:

Voluntary quit without good cause. In general, a voluntary quit means discontinuing the employment because the employee no longer desires to remain in the relationship of an employee with the employer from whom the employee has separated. The employer has the burden of proving that the claimant is disqualified for benefits pursuant to lowa Code section 96.5. However, the claimant has the initial burden to produce evidence that the claimant is not disqualified for benefits in cases involving lowa Code section 96.5, subsection (1), paragraphs "a" through "i," and subsection 10. The following reasons for a voluntary quit shall be presumed to be without good cause attributable to the employer:

- (6) The claimant left as a result of an inability to work with other employees.
- (27) The claimant left rather than perform the assigned work as instructed.

Claimant has the burden of proving that the voluntary leaving was for good cause attributable to the employer. Iowa Code § 96.6(2). "Good cause" for leaving employment must be that which is reasonable to the average person, not the overly sensitive individual or the claimant in particular. *Uniweld Products v. Indus. Relations Comm'n*, 277 So.2d 827 (Fla. Dist. Ct. App. 1973). Claimant testified that he quit his employment because Steve Speidel broke a verbal agreement that the two men made regarding a well. The average person in claimant's situation would not feel similarly compelled to quit his employment based on this incident. A voluntary leaving of employment requires an intention to terminate the employment relationship accompanied by an overt act of carrying out that intention. *Local Lodge #1426 v. Wilson Trailer*, 289 N.W.2d 608, 612 (Iowa 1980). The claimant's decision to quit because he did not agree with Steve Speidel was not for a good cause reason attributable to the employer. Benefits are withheld.

Claimant also alleged that he left his employment due to a disagreement about a change in his insurance benefit. Iowa Admin. Code r. 871-24.26(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 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...

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. Emp't Appeal Bd.*, 433 N.W.2d 700 (Iowa 1988). A notice of an intent to quit had been required by *Cobb v. Emp't Appeal Bd.*, 506 N.W.2d 445, 447-78 (Iowa 1993), *Suluki v. Emp't Appeal Bd.*, 503 N.W.2d 402, 405 (Iowa 1993), and *Swanson v. Emp't Appeal Bd.*, 554 N.W.2d 294, 296 (Iowa Ct. App. 1996). Those cases required an employee to give an employer notice of intent to quit, thus giving the employer an opportunity to cure working conditions. However, in 1995, the Iowa Administrative Code was amended to include an intent-to-quit requirement. The requirement was only added to rule 871-24.26(6)(b), the provision addressing work-related health problems. No intent-to-quit requirement was added to rule 871-24.26(4), the intolerable working conditions provision. Our supreme court recently concluded that, because the intent-to-quit requirement was added to Iowa Admin. Code r. 871-24.26(6)(b) but not 871-24.26(4), notice of intent to quit is not required for intolerable working conditions. *Hy-Vee, Inc. v. Emp't Appeal Bd.*, 710 N.W.2d 1 (Iowa 2005).

Although claimant was not required by law to give the employer notice of his intent to quit, the change to the terms of hire must be substantial in order to allow benefits. At hearing claimant said he quit in part because of the change in the terms of hire. However, claimant's benefit changed in January 2016, and he did not raise any issue with it until approximately August 2016. As claimant continued to work for numerous months after that change without specific complaint to the employer, claimant acquiesced to the changes in his insurance benefit.

DECISION:

The November 1, 2016, (reference 01) unemployment insurance decision is affirmed. Claimant separated from employment without good cause attributable to the employer. Benefits are withheld until such time as he has worked in and been paid wages for insured work equal to ten times his weekly benefit amount, provided he is otherwise eligible.

Elizabeth A. Johnson	
Administrative Law Judge	
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Decision Dated and Mailed	