

**IOWA WORKFORCE DEVELOPMENT
UNEMPLOYMENT INSURANCE APPEALS**

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

JUDITH A ELIAS
Claimant

APPEAL NO. 10A-UI-10702-MT

**ADMINISTRATIVE LAW JUDGE
DECISION**

BOB BROWN CHEVROLET
Employer

OC: 06/13/10
Claimant: Appellant (2)

Section 96.5-1 – Voluntary Quit

STATEMENT OF THE CASE:

Claimant filed an appeal from a decision of a representative dated July 20, 2010, reference 01, which held claimant ineligible for unemployment insurance benefits. After due notice, a telephone conference hearing was scheduled for and held on October 4, 2010. Claimant participated. Employer participated by Tim Manning, General Sales; Kim Thompson, New Car Manager; and Mari Moreland Rippey, BDC Manager. Exhibits A, One through Five were admitted into evidence.

ISSUE:

The issue in this matter is whether claimant quit for good cause attributable to employer.

FINDINGS OF FACT:

The administrative law judge, having heard the testimony and having considered all of the evidence in the record, finds: Claimant last worked for employer on April 21, 2010. Claimant worked for employer as a sales consultant. Claimant had a new car demonstrator for her personal use. Claimant was told that the policy would change April 15, 2010. Claimant would only be allowed to use a demo if she sold and delivered ten cars a month. Claimant quit because if she did not sell ten cars a month, she would have to pay \$400.00 per month. Claimant also quit for a variety of personal health reasons and conflicts at work.

REASONING AND CONCLUSIONS OF LAW:

The administrative law judge holds that the evidence has established that claimant voluntarily quit for good cause attributable to employer when claimant terminated the employment relationship because of a change in the rate of compensation. Claimant had received a free demo car as a sales rep. Employer unilaterally changed the policy on demos for all sales personnel. Claimant quit for other personal reasons. While these reasons are personal in nature, it does not change the fact that employer unilaterally changed the rate of compensation. This is a significant change in the contract of hire, which is a quit for good cause attributable to employer. Claimant need only prove one reason that is good cause for a quit. While claimant

had many reasons for quitting that are personal, those do not defeat the reduction in compensation as a reason for a quit. Benefits allowed.

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.

DECISION:

The decision of the representative dated July 20, 2010, reference 01, is reversed. Unemployment insurance benefits are allowed, provided claimant is otherwise eligible.

Marlon Mormann
Administrative Law Judge

Decision Dated and Mailed

mdm/kjw