IOWA WORKFORCE DEVELOPMENT UNEMPLOYMENT INSURANCE APPEALS BUREAU

KRISTINA K TAYLOR Claimant

APPEAL 19R-UI-03661-SC-T

ADMINISTRATIVE LAW JUDGE DECISION

ASSOCIATED MATERIALS LLC

Employer

OC: 02/03/19 Claimant: Appellant (2)

Iowa Code § 96.5(1) – Voluntary Quitting Iowa Admin. Code r. 871-24.26(1) – Voluntary Quitting – Change in Contract of Hire

STATEMENT OF THE CASE:

On March 1, 2019, Kristina K. Taylor (claimant) filed an appeal from the February 20, 2019, reference 01, unemployment insurance decision that denied benefits based upon the determination she failed to show good cause attributable to Associated Materials, LLC (employer) for voluntarily leaving her position. A hearing was scheduled for March 19, 2019 and due notice was issued. The claimant did not register a phone number prior to the start of the hearing. A default decision was issued dismissing her appeal. The claimant appealed that decision to the Employment Appeal Board who remanded the case for a new hearing. The parties were properly notified about the new hearing. A telephone hearing was held on May 22, 2019. The claimant participated personally. The employer did not respond to the hearing notice and did not participate.

ISSUE:

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

FINDINGS OF FACT:

Having reviewed all of the evidence in the record, the administrative law judge finds: The claimant was employed full-time beginning July 2, 2002. She held numerous jobs during her tenure and most recently worked as an Office Lead who was responsible for inventory and invoicing. She earned \$19.02 an hour. The claimant's last day worked was December 23, 2018, before the week-long plant shut down.

During the plant shut down, the claimant became ill and required job protected leave under the Family Medical Leave Act (FMLA). On January 28, 2019, the day before she was released to return to work, the employer notified the claimant that she was being moved to an entry-level Saw Operator position. After the first 90 days of employment in that position, the employer was going to drop her pay to \$11.75 an hour. The claimant quit rather than take the new position.

REASONING AND CONCLUSIONS OF LAW:

For the reasons that follow, the administrative law judge concludes the claimant voluntarily quit the employment with good cause attributable to the employer. Benefits are allowed.

Iowa Code section 96.5(1) provides:

An individual shall be disqualified for benefits, regardless of the source of the individual's wage credits:

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. 871-24.26(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.

The 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). 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).

The claimant quit with good cause attributable to the employer. The job duties she was performing before her separation included office work and she had previously managed the department in which the Saw Operators work. The claimant's pay was being reduced by approximately 38 percent. The claimant has established that the employer made a substantial change to the nature of her job duties and wages for no disqualifying reason. Accordingly, benefits are allowed.

DECISION:

The February 20, 2019, reference 01, unemployment insurance decision is reversed. The claimant voluntarily quit the employment with good cause attributable to the employer. Benefits are allowed, provided she is otherwise eligible. Any benefits claimed and withheld on this basis shall be paid.

Stephanie R. Callahan Administrative Law Judge

Decision Dated and Mailed

src/scn