

EMPLOYMENT APPEALS BOARD DECISION
2025-EAB-0043

Affirmed
No Disqualification

PROCEDURAL HISTORY: On September 30, 2024, the Oregon Employment Department (the Department) served notice of an administrative decision concluding that claimant was discharged, but not for misconduct, and was not disqualified from receiving unemployment insurance benefits based on the work separation (decision # L0006350537). The employer filed a timely request for hearing. On January 7, 2025, ALJ Triana conducted a hearing, and on January 8, 2025 issued Order No. 25-UI-279169, affirming decision # L0006350537. On January 15, 2025, the employer filed an application for review with the Employment Appeals Board (EAB).

FINDINGS OF FACT: (1) JKC Corvallis Automotive, Inc. employed claimant as a salesperson at their automobile dealership, most recently from March 25, 2023 through June 27, 2024. Claimant had previously worked for the employer.

(2) The employer expected that their employees would not engage in actions that “do not align with company values.” Audio Record at 11:51. Claimant was aware of this expectation, which was stated in an employee handbook.

(3) On June 26, 2024, while claimant was driving to work, he was arrested for “public indecency” for conduct alleged to have occurred at an earlier time. Exhibit 1 at 1. Claimant’s wife promptly notified the employer that claimant would be absent from work that day. Claimant was released from custody shortly after his arrest and was available to report to work the following day. During his most recent period of employment with the employer claimant had not engaged in any acts that violated laws prohibiting public indecency.¹

(4) An article about claimant’s arrest appeared on the website of a local news outlet shortly after the arrest occurred. The employer read the article and determined that whatever actions claimant had engaged in that led to his arrest did not align with the company’s values and therefore violated their

¹ See ORS 163.465.

policy. The employer was also concerned about the effect on their business of employing a salesperson whose arrest for public indecency was being reported in the media. The employer decided to discharge claimant for these reasons. On June 27, 2024, the employer discharged claimant.

(5) The district attorney declined to pursue charges against claimant and the case was dismissed at arraignment.

CONCLUSIONS AND REASONS: Claimant was discharged, but not for misconduct.

ORS 657.176(2)(a) requires a disqualification from unemployment insurance benefits if the employer discharged claimant for misconduct connected with work. “As used in ORS 657.176(2)(a) . . . a willful or wantonly negligent violation of the standards of behavior which an employer has the right to expect of an employee is misconduct. An act or series of actions that amount to a willful or wantonly negligent disregard of an employer's interest is misconduct.” OAR 471-030-0038(3)(a) (September 22, 2020). “[W]antonly negligent” means indifference to the consequences of an act or series of actions, or a failure to act or a series of failures to act, where the individual acting or failing to act is conscious of his or her conduct and knew or should have known that his or her conduct would probably result in a violation of the standards of behavior which an employer has the right to expect of an employee.” OAR 471-030-0038(1)(c). In a discharge case, the employer has the burden to establish misconduct by a preponderance of evidence. *Babcock v. Employment Division*, 25 Or App 661, 550 P2d 1233 (1976).

The employer discharged claimant due to his arrest for public indecency and the employer’s concerns over media reports regarding the arrest. The employer expected that their employees would not engage in actions that “do not align with company values,” which claimant understood. Because claimant’s alleged conduct occurred off-duty, whether the expectation involved a standard of behavior an employer has the right to expect of an employee depends, in part, on whether the conduct it prohibited was work-connected.² However, even assuming that the expectation was reasonable, the employer did not meet their burden of showing that claimant engaged in the conduct alleged.

As a threshold matter, the employer bears the burden of showing by a preponderance of the evidence that claimant engaged in behavior that would have given law enforcement reason to arrest him for public indecency. The employer’s witness at hearing had no first-hand knowledge of the events leading to claimant’s arrest, and information in the record about these events is largely limited to the media report on which the employer based their decision to discharge claimant. *See* Exhibit 1 at 2-3. That report stated that, according to the county sheriff’s office, claimant was arrested “after he made arrangements online to meet an undercover deputy to make a sexually explicit video near a . . . playground.” Exhibit 1 at 2.

In rebuttal to this report, claimant denied having engaged in “any behavior that would have led to an arrest for [public indecency].” Audio Record at 24:00. Claimant further denied that “any allegations in this news story about what [claimant] did” were “accurate.” Audio Record at 24:18. Both parties testified that claimant was not convicted of any charges stemming from the arrest. In weighing this

² *See Sun Veneer v. Employment Division*, 105 Or App 198, 804 P2d 1174 (1991) (off-duty conduct must affect or have a reasonable likelihood of affecting the employee’s work or the employer’s workplace in order to constitute work-connected misconduct).

evidence, claimant's first-hand account of his conduct is entitled to greater weight than what the media reported was the sheriff's account, and the facts have been found accordingly.

The record therefore shows that claimant did not engage in conduct that would have given law enforcement reason to arrest him for public indecency. The employer thus failed to establish that claimant engaged in conduct that constituted a willful or wantonly negligent violation of a reasonable employer policy. Accordingly, the employer did not show that claimant was discharged for misconduct.

For these reasons, claimant was discharged, but not for misconduct, and is not disqualified from receiving unemployment insurance benefits based on the work separation.

DECISION: Order No. 25-UI-279169 is affirmed.

D. Hettle and A. Steger-Bentz;
S. Serres, not participating.

DATE of Service: February 18, 2025

NOTE: You may appeal this decision by filing a Petition for Judicial Review with the Oregon Court of Appeals **within 30 days of the date of service stated above**. See ORS 657.282. For forms and information, visit <https://www.courts.oregon.gov/courts/appellate/forms/Pages/appeal.aspx> and choose the appropriate form under "File a Petition for Judicial Review." You may also contact the Court of Appeals by telephone at (503) 986-5555, by fax at (503) 986-5560, or by mail at 1163 State Street, Salem, Oregon 97301.

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Understanding Your Employment Appeals Board Decision

English

Attention – This decision affects your unemployment benefits. If you do not understand this decision, contact the Employment Appeals Board immediately. If you do not agree with this decision, you may file a Petition for Judicial Review with the Oregon Court of Appeals following the instructions written at the end of the decision.

Simplified Chinese

注意 – 本判決會影響您的失業救濟金。如果您不明白本判決，請立即聯繫就業上訴委員會。如果您不同意此判決，您可以按照該判決結尾所寫的說明，向俄勒岡州上訴法院提出司法複審申請。

Traditional Chinese

注意 – 本判決會影響您的失業救濟金。如果您不明白本判決，請立即聯繫就業上訴委員會。如果您不同意此判決，您可以按照該判決結尾所寫的說明，向俄勒岡州上訴法院提出司法複審申請。

Tagalog

Paalala – Nakakaapekto ang desisyong ito sa iyong mga benepisyo sa pagkawala ng trabaho. Kung hindi mo naiintindihan ang desisyong ito, makipag-ugnayan kaagad sa Lupon ng mga Apela sa Trabaho (Employment Appeals Board). Kung hindi ka sumasang-ayon sa desisyong ito, maaari kang maghain ng isang Petisyon sa Pagsusuri ng Hukuman (Petition for Judicial Review) sa Hukuman sa Paghahabol (Court of Appeals) ng Oregon na sinusunod ang mga tagubilin na nakasulat sa dulo ng desisyon.

Vietnamese

Chú ý - Quyết định này ảnh hưởng đến trợ cấp thất nghiệp của quý vị. Nếu quý vị không hiểu quyết định này, hãy liên lạc với Ban Kháng Cáo Việc Làm ngay lập tức. Nếu quý vị không đồng ý với quyết định này, quý vị có thể nộp Đơn Xin Tái Xét Tư Pháp với Tòa Kháng Cáo Oregon theo các hướng dẫn được viết ra ở cuối quyết định này.

Spanish

Atención – Esta decisión afecta sus beneficios de desempleo. Si no entiende esta decisión, comuníquese inmediatamente con la Junta de Apelaciones de Empleo. Si no está de acuerdo con esta decisión, puede presentar una Aplicación de Revisión Judicial ante el Tribunal de Apelaciones de Oregon siguiendo las instrucciones escritas al final de la decisión.

Russian

Внимание – Данное решение влияет на ваше пособие по безработице. Если решение Вам непонятно – немедленно обратитесь в Апелляционный Комитет по Трудоустройству. Если Вы не согласны с принятым решением, вы можете подать Ходатайство о Пересмотре Судебного Решения в Апелляционный Суд штата Орегон, следуя инструкциям, описанным в конце решения.

Khmer

ចំណុចសំខាន់ – សេចក្តីសម្រេចនេះមានផលប៉ះពាល់ដល់អត្ថប្រយោជន៍គ្មានការងារធ្វើរបស់លោកអ្នក។ ប្រសិនបើលោកអ្នកមិនយល់អំពីសេចក្តីសម្រេចនេះ សូមទាក់ទងគណៈកម្មការឧទ្ធរណ៍ការងារភ្លាមៗ។ ប្រសិនបើលោកអ្នកមិនយល់ស្របចំពោះសេចក្តីសម្រេចនេះទេ លោកអ្នកអាចដាក់ពាក្យប្តឹងសុំឲ្យមានការពិនិត្យរឿងក្តីឡើងវិញជាមួយតុលាការឧទ្ធរណ៍រដ្ឋ Oregon ដោយអនុវត្តតាមសេចក្តីណែនាំដែលសរសេរនៅខាងចុងបញ្ចប់នៃសេចក្តីសម្រេចនេះ។

Laotian

ເອົາໃຈໃສ່ – ຄໍາຕັດສິນນີ້ມີຜົນກະທົບຕໍ່ກັບເງິນຊ່ວຍເຫຼືອການຫວ່າງງານຂອງທ່ານ. ຖ້າທ່ານບໍ່ເຂົ້າໃຈຄໍາຕັດສິນນີ້, ກະລຸນາຕິດຕໍ່ຫາຄະນະກຳມະການອຸທອນການຈ້າງງານໃນທັນທີ. ຖ້າທ່ານບໍ່ເຫັນດີນຳຄໍາຕັດສິນນີ້, ທ່ານສາມາດຍື່ນຄໍາຮ້ອງຂໍການທົບທວນຄໍາຕັດສິນນຳສານອຸທອນລັດ Oregon ໄດ້ໂດຍປະຕິບັດຕາມຄໍາແນະນຳທີ່ບອກໄວ້ຢູ່ຕອນທ້າຍຂອງຄໍາຕັດສິນນີ້.

Arabic

هذا القرار قد يؤثر على منحة البطالة الخاصة بك، إذا لم تفهم هذا القرار، إتصل بمجلس منازعات العمل فوراً، و إذا كنت لا توافق على هذا القرار، يمكنك رفع شكوى للمراجعة القانونية بمحكمة الاستئناف بأوريغون و ذلك بإتباع الإرشادات المدرجة أسفل القرار.

Farsi

توجه - این حکم بر مزایای بیکاری شما تاثیر می گذارد. اگر با این تصمیم موافق نیستید، بلافاصله با هیأت فرجام خواهی استخدام تماس بگیرید. اگر از این حکم رضایت ندارید، می‌توانید با استفاده از دستور العمل موجود در پایان آن، از دادگاه تجدید نظر اورگان درخواست تجدید نظر کنید.

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