

EMPLOYMENT APPEALS BOARD DECISION
2025-EAB-0378

Reversed
No Disqualification

PROCEDURAL HISTORY: On March 25, 2025, the Oregon Employment Department (the Department) served notice of an administrative decision concluding that claimant quit working for the employer without good cause and was disqualified from receiving benefits beginning February 23, 2025 (decision # L0009931138).¹ Claimant filed a timely request for hearing. On May 30, 2025, ALJ Enyinnaya conducted a hearing, and on June 6, 2025 issued Order No. 25-UI-294256, affirming decision # L0009931138. On June 19, 2025, claimant filed an application for review with the Employment Appeals Board (EAB).

WRITTEN ARGUMENT: EAB considered written arguments from claimant and the employer in reaching this decision.

FINDINGS OF FACT: (1) Professional Auto Body & Paint, Inc. employed claimant as an auto body technician from January 6 through February 25, 2025.

(2) On February 24, 2025, the business was repairing a postal service vehicle, and claimant participated in the repairs. Near the end of the process, one of the owners, A, prepared to replace an emblem on the vehicle and noticed a dent where it was to be placed, perhaps caused when the emblem was removed for repairs. Claimant knew that another employee had removed the emblem, but did not know whether that employee caused the dent. A blamed claimant for the dent and said, “[Y]ou’re gonna have to pay for that,” though claimant told A that another employee had removed the emblem. Transcript at 6. A demanded that claimant identify who caused the dent and said that if he did not, claimant would “have to pay for it.” Transcript at 7. Claimant was unsure whether A was serious about having to pay to have the dent repaired, which claimant estimated would cost “a couple thousand dollars.” Transcript at 8.

¹ Decision # L0009931138 stated that claimant was denied benefits from February 23, 2025 to February 21, 2026. However, decision # L0009931138 should have stated that claimant was disqualified from receiving benefits beginning February 23, 2025 and until he earned four times his weekly benefit amount. See ORS 657.176.

(3) On February 25, 2025, claimant asked A whether he was serious about requiring that he pay to have the postal vehicle repaired, and A answered, “[Y]es.” Transcript at 8. A then told claimant, “[Y]ou’re no good. You’re not a good body man. . . You’re not what I wanted,” and “started to berate [claimant] with insults.” Transcript at 8-9. A then walked away from claimant. Claimant felt that A was “dead serious” about making him pay for any damage to customer vehicles he accidentally caused, or which the employer mistakenly attributed to him. Transcript at 16. Claimant therefore decided to quit work and began gathering his things to leave.

(4) While claimant was gathering his belongings, the other owner, N, approached claimant to speak with him about why he was quitting work. Both A and N believed that claimant had unintentionally damaged “multiple” vehicles in the past and attempted to conceal the damage from the employer. Transcript at 28-29. N shared A’s sentiment that claimant should be told, “[I]f you continue to provide negligent work on the vehicles it could result in some kind of financial accountability.” Transcript at 30-31. The employer had not previously attempted to make an employee pay for any inadvertent damage. N considered the postal service vehicle matter “under investigation” at the time claimant quit, and the owners had not decided whether to pursue damages from claimant despite stating their intention to claimant to do so.

(5) Claimant did not work for the employer after February 25, 2025. As of the May 30, 2025 hearing, the employer had not attempted to make claimant pay for the damage to the postal service vehicle or any other vehicle, and had not made any unauthorized deductions from his pay.

CONCLUSIONS AND REASONS: Claimant voluntarily quit work with good cause.

Nature of the work separation. If an employee could have continued to work for the same employer for an additional period of time, the work separation is a voluntary leaving. OAR 471-030-0038(2)(a) (September 22, 2020). If the employee is willing to continue to work for the same employer for an additional period of time but is not allowed to do so by the employer, the separation is a discharge. OAR 471-030-0038(2)(b).

Claimant suggested that the employment relationship ended because business had declined to the point where the employer needed to lay him off for lack of work, but that the employer instead threatened to hold him financially accountable for inadvertent damage to vehicles, or damage he did not cause, to provoke his resignation. *See* Transcript at 11. Claimant testified that he “wasn’t quitting” during his final discussion with A about the issue on February 25, 2025, and that A “ended the discussion.” Transcript at 5. However, claimant testified that after that discussion ended, he gathered his tools for approximately 45 minutes “to get outta there” while N asked him questions “basically regarding unemployment to try to get outta unemployment,” then claimant left work and did not attempt to return. Transcript at 10-11. When claimant was asked at hearing whether A told him that he was “fired,” claimant replied, “He said I wasn’t what he wanted anyways. He said that I was no good for the experience that I had or he was, like I said, he was just basically berating me with insults.” Transcript at 10. Claimant did not testify that either owner told him directly that he had been discharged.

N testified regarding the nature of the work separation, “[W]e never fired [claimant]. . . He said, ‘I’m taking my things, I’m packing and I’m quitting.’” Transcript at 20. N also testified that continuing work

was available to claimant regardless of whether he paid for any damages to the postal vehicle. Transcript at 26-27.

In considering this evidence, it is more likely than not that claimant was unwilling to continue working for the employer following his conversation with A, as evinced by claimant then gathering his belongings, leaving work, and not returning. Continuing work had been available to claimant, and the employer had not told claimant otherwise. Accordingly, the work separation was a voluntary leaving.

Voluntary leaving. A claimant who leaves work voluntarily is disqualified from the receipt of benefits unless they prove, by a preponderance of the evidence, that they had good cause for leaving work when they did. ORS 657.176(2)(c); *Young v. Employment Department*, 170 Or App 752, 13 P3d 1027 (2000). “Good cause . . . is such that a reasonable and prudent person of normal sensitivity, exercising ordinary common sense, would leave work.” OAR 471-030-0038(4). “[T]he reason must be of such gravity that the individual has no reasonable alternative but to leave work.” OAR 471-030-0038(4). The standard is objective. *McDowell v. Employment Department*, 348 Or 605, 612, 236 P3d 722 (2010). A claimant who quits work must show that no reasonable and prudent person would have continued to work for their employer for an additional period of time.

Claimant quit work because the employer told him that they intended to hold him financially responsible for damage to their customers’ vehicles he inadvertently caused, or that they believed he caused. The order under review concluded that this did not constitute a grave situation because the employer had not previously attempted to recover damages caused by employees, and may not ultimately have done so regarding the postal service vehicle, and that even if this was a grave situation, claimant had the reasonable alternatives of protesting the employer’s stated intention to pursue him for damages or waiting to see if the employer deducted the alleged damages from his pay. Order No. 25-UI-294256 at 3. The record does not support these conclusions.

Claimant testified that he did not cause damage to the postal vehicle or remove its emblem, and though he knew which employee removed the emblem, he did not know whether that employee caused the dent while removing it, or if the dent was a pre-existing condition. Transcript at 7. N, the employer’s only witness at hearing, was asked why she believed claimant caused the dent, and she testified, “We asked every employee.” Transcript at 29. N was asked if she had viewed surveillance video of the damage being caused, and she replied, “I could rewind the camera if you like. If I could pull it, I will.” Transcript at 29. Without video footage in evidence showing claimant damaging the vehicle, or the testimony of a witness who saw claimant damage the vehicle, either personally or through viewing video footage, the evidence supporting the employer’s assertion that claimant damaged the vehicle is outweighed by claimant’s testimony that he did not damage it, and the facts have been found accordingly.

The employer did not dispute that on February 24, 2025, A blamed claimant for the dent in the postal service vehicle and told claimant, “[Y]ou’re gonna have to pay for that.” Transcript at 6. They also did not dispute that A confirmed to claimant the next day that he was “serious” about making him pay for damage to the vehicle. Transcript at 8. N generally corroborated claimant’s account, testifying, “We just [gave] verbal warnings. Like if you damage a customer vehicle you may have to pay for the damage,” while denying that the employer had decided whether to charge claimant for the postal service vehicle damage specifically. Transcript at 27-28. Therefore, the record shows that claimant reasonably believed

the employer intended to charge him for the damage to the postal service vehicle he did not cause, and for future damage to vehicles claimant might inadvertently cause or be suspected of causing.

It is unreasonable for an employer to require their employees to financially bear the customary risks of doing business, such as damage caused by ordinary negligence to vehicles being repaired by an auto body shop. The employer's representation to claimant that it was their intention to make claimant bear this risk, even if they had not yet made a specific demand or engaged in collection efforts regarding the postal service vehicle, was therefore grave, as continuing to work for the employer for any length of time thereafter would have potentially subjected claimant to additional unreasonable assertions of financial liability for damage to other vehicles. That claimant had not actually caused the damage to the postal service vehicle, which gave rise to this assertion of financial liability, underscores the gravity of the situation he faced.

Furthermore, claimant had no reasonable alternative to leaving work. Claimant confirmed with A on February 25, 2025 that the statement A had made the day before was not made in jest, or an empty threat made in anger, and that the employer wanted claimant to believe that they would pursue recovery of damages for the postal service vehicle and, potentially, other damage occurring to vehicles in the future. N's testimony showed that she concurred with the decision to make claimant believe that they would or might attempt to pursue damages from him, even though the employer had not yet decided whether to do so regarding the postal service vehicle. It was obvious to both A and N why claimant was quitting work, and neither demonstrated any willingness to reconsider their positions regarding what was said to claimant about financial liability for damage in order to persuade him to stay. It therefore would not have been reasonable to expect claimant to further protest the policy before quitting.

It was also not a reasonable alternative to leaving work for claimant to wait and see if the employer attempted to recover damages from him for the postal service vehicle through deduction from pay or other means. It is unlawful in Oregon for an employer to make unauthorized deductions from an employee's pay, such as would have occurred here if the employer made such a deduction. *See* ORS 652.610(3). Once an unlawful deduction occurred, claimant would then have been in the position of having to pursue administrative or civil remedies to recover his wages, and it would have been unreasonable for claimant to potentially bear such a burden. Moreover, as previously discussed, if claimant continued to work for the employer while waiting to see if they made deductions from pay or tried to recover damages through other means, claimant ran the risk of other vehicles being damaged by others or through his own ordinary negligence, and the employer additionally pursuing him for recovery of those damages. Therefore, this was also not a reasonable alternative. Accordingly, claimant quit work with good cause because he faced a situation of such gravity that he had no reasonable alternative but to leave work.

For these reasons, claimant quit work with good cause and is not disqualified from receiving benefits based on the work separation.

DECISION: Order No. 25-UI-294256 is set aside, as outlined above.

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

DATE of Service: July 29, 2025

NOTE: This decision reverses the ALJ's order denying claimant benefits. Please note that in most cases, payment of benefits owed will take about a week for the Department to complete.

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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