

EMPLOYMENT APPEALS BOARD DECISION
2025-EAB-0784

Modified
Disqualification Effective March 30, 2025

PROCEDURAL HISTORY: On September 15, 2025, the Oregon Employment Department (the Department) served notice of an administrative decision concluding that claimant voluntarily quit work without good cause and therefore was disqualified from receiving unemployment insurance benefits effective March 30, 2025 (decision # L0012802495).¹ Claimant filed a timely request for hearing. On December 4, 2025, ALJ Honea conducted a hearing, and on December 12, 2025 issued Order No. 25-UI-314107, modifying decision # L0012802495 by concluding that claimant voluntarily quit work without good cause and was disqualified from receiving benefits effective August 10, 2025. On December 15, 2025, claimant filed an application for review with the Employment Appeals Board (EAB).

WRITTEN ARGUMENT: Claimant's argument contained information that was not part of the hearing record and did not show that factors or circumstances beyond claimant's reasonable control prevented her from offering the information during the hearing. Under ORS 657.275(2) and OAR 471-041-0090 (May 13, 2019), EAB considered only information received into evidence at the hearing. EAB considered any parts of claimant's argument that were based on the hearing record.

FINDINGS OF FACT: (1) JKC Medford 3H LLC employed claimant as a service advisor at their car dealership from February 7, 2025 until April 2, 2025.

(2) Claimant had been in sober recovery from a substance abuse disorder for ten years. As part of her recovery, claimant avoided interacting with people who used illegal substances.

¹ Decision # L0012802495 stated that claimant was denied benefits from August 10, 2025 to August 8, 2026. However, because decision # L0012802495 stated that claimant's work separation occurred on April 2, 2025, the decision should have stated that claimant was disqualified from receiving benefits beginning Sunday, March 30, 2025 and until she earned four times her weekly benefit amount. See ORS 657.176.

(3) On February 14, 2025, shortly after claimant began working for the employer, claimant's direct manager, the employer's service manager, asked claimant if she had taken the drug test required for employment. The manager also said that if there was anything that claimant "need[ed] to hide" that she should "take some fake pee" and it would be fine. Transcript at 9. Claimant informed the manager that she had nothing to hide and had already taken and passed the test. Claimant thought the manager's statements were odd and suspected that the manager possessed or used illegal substances at work. Thereafter, on at least one occasion, claimant saw residue on the manager's nose that she believed to be an illegal substance.

(4) On March 10, 2025, claimant's direct manager dropped a bag of a substance that claimant recognized to be illegal drugs. When the manager dropped the bag, claimant was present with the manager and a customer in the manager's office. Claimant quickly picked up the bag and discreetly returned it to the manager to avoid the embarrassment of the customer seeing what had happened. At the end of that day, the manager followed claimant to her car and said, "I just wanted to say thank you for not saying anything." Transcript at 11. The interaction made claimant feel uncomfortable and confirmed her suspicion that the manager possessed and potentially used illegal substances at work. Claimant worried that working in an environment in which her manager possessed or used illegal substances could endanger her sobriety.

(5) Claimant also viewed the employer's method of processing service orders to be "chaotic" because it required her to "constantly chas[e]" service technicians for information. Transcript at 10, 13. Claimant was not trained on the program the employer used for service orders, which made it difficult for her to make sales. Claimant raised her frustrations with the method of processing service orders with her managers, but there was no immediate improvement.

(6) Claimant consulted with her recovery sponsor about her concerns regarding her manager's use of illegal substances. However, she never raised her concerns about the service manager's use of illegal substances with the employer's general manager. The service manager was subordinate to the general manager, and reported directly to the general manager.

(7) On the morning of April 2, 2025, claimant left the workplace and texted the service manager that she was giving notice of her intent to resign in two weeks from the next day, April 3, 2025. Claimant further stated in her text, "unless you want that to be my last day, then I understand." Transcript at 19. The service manager texted back that he would ask for the general manager's input. Later that day, the service manager texted claimant that the general manager said that that day "could be [claimant's] last day." Transcript at 19. Claimant texted back "okay," and never worked for the employer again. Transcript at 19.

(8) The fact that the service manager possessed or used illegal substances was the main reason that claimant texted her manager that she intended to resign in two weeks. Claimant would not have left work at the time her employment ended because of her frustrations regarding the employer's method of processing service orders. Rather, she would have again raised her concerns regarding service orders with the employer's general manager before leaving work for that reason.

CONCLUSIONS AND REASONS: Claimant voluntarily left work without good cause.

Nature of Work Separation. A work separation occurs when a claimant or employer ends the employer-employee relationship.

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

The work separation was a voluntary leaving that occurred on April 2, 2025. On that date, claimant texted her direct manager, the service manager, that she was giving notice of her intent to resign in two weeks from the next day, April 3, 2025. Claimant also stated in the text, “unless you want that to be my last day, then I understand.” Transcript at 19. The service manager texted back that he would ask for the general manager’s input. Later that day, the service manager texted claimant that the general manager said that that day “could be [claimant’s] last day.” Transcript at 19. Claimant texted back “okay,” and never worked for the employer again. Transcript at 19.

The work separation was a voluntary leaving because by advising the employer of her intent to quit work two weeks from April 3, 2025, claimant demonstrated that she was not willing to continue working for the employer. Though the employer then established April 2, 2025 as the new separation date, the employer did so at claimant’s invitation and so the work separation remained a voluntary leaving. By then replying, “okay,” when the service manager texted that April 2, 2025 could be her last day, claimant did not voice disagreement with the new date or insist upon working until the original proposed resignation date. *See J.R. Simplot Co. v. Employment Division*, 102 Or App 523, 795 P2d 579 (1990) (where claimant notified the employer of his intent to resign on a particular date, and the employer established a different separation date, claimant’s “agreement” to the new separation date can be inferred if claimant did not voice disagreement with the new date or otherwise insist upon working until the original resignation date). Accordingly, the work separation was a voluntary leaving that occurred on April 2, 2025.

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 Dept.*, 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 Dept.*, 348 Or 605, 612, 236 P3d 722 (2010).

Claimant quit working for the employer because the service manager possessed or used illegal substances and claimant worried that working in an environment in which her manager possessed or used illegal substances could threaten her sobriety. The record shows this was the reason for the voluntary leaving because, at hearing, claimant testified that the fact the service manager possessed or used illegal substances was the “main reason” she sent the text advising of her planned notice of resignation. Transcript at 10-11. Claimant also testified that she would not have left work when she did if she had not seen evidence that the service manager used illegal substances, and that she would have raised her concerns regarding service orders with the general manager again before leaving work for that reason. Transcript at 13.

Claimant faced a grave situation. Claimant had a substance use disorder and had been in sober recovery for ten years. As part of her recovery, claimant avoided interacting with people who used illegal substances. More likely than not, the service manager possessed or used illegal substances at work given his comments to claimant regarding using “fake pee” to pass the required drug test, claimant’s observation of him having residue on his nose, and the interaction in which the manager dropped the bag of suspected drugs and then thanked claimant for “not saying anything” about the bag. Claimant worried that working in an environment in which her manager possessed or used illegal substances could threaten her sobriety and spoke to her recovery sponsor about her concerns.

Although she was presented with a situation of gravity, claimant voluntarily left work without good cause because she failed to pursue the reasonable alternative of raising her concerns about the service manager’s use of illegal substances with the employer’s general manager. The record shows that the general manager could have taken action to prevent the service manager from possessing or using illegal substances in the workplace. This is the case because the service manager was subordinate to the general manager and so it stands to reason that the general manager was empowered to discipline the service manager. Further, it is evident that the service manager believed that he could be subjected to workplace discipline or other negative consequences if his possession of illegal substances at work came to light, given that he had thanked claimant for discreetly returning the bag to him.

At hearing, claimant testified that she did not report the service manager’s possession of illegal substances to the general manager because she feared retaliation if she did so. Transcript at 17. However, this fear was not substantiated as claimant failed to present any evidence to support that the general manager would not have acted in good faith on a report that the service manager possessed or used illegal substances at work. Likewise, there was no evidence to show that the general manager would not intervene if the service manager remained employed, retaliated against claimant for her report, and claimant reported the retaliation.

For these reasons, claimant voluntarily left work without good cause and is disqualified from receiving unemployment insurance benefits effective March 30, 2025. The order under review incorrectly concluded that claimant’s effective date of disqualification was August 10, 2025. Order No. 25-UI-314107 at 3. The order is therefore modified to reflect that claimant’s disqualification from benefits is effective March 30, 2025.

DECISION: Order No. 25-UI-314107 is modified, as outlined above.

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

DATE of Service: January 23, 2026

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 باتباع 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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