

EMPLOYMENT APPEALS BOARD DECISION
2026-EAB-0730

Reversed & Remanded

PROCEDURAL HISTORY: On June 17, 2026, the Oregon Employment Department (the Department) served notice of an administrative decision concluding that claimant was discharged for misconduct and disqualified from receiving unemployment insurance benefits effective April 12, 2026 (decision # L0018213021). Claimant filed a timely request for hearing. On July 22, 2026, ALJ Laurie-Gardiner conducted a hearing, and on August 3, 2026 issued Order No. 26-UI-336466, reversing decision # L0018213021 by concluding that claimant was discharged, but not for misconduct, and was therefore not disqualified from receiving benefits based on the discharge. On August 13, 2026, the employer filed an application for review with the Employment Appeals Board (EAB).

WRITTEN ARGUMENT: EAB did not consider the employer's written argument because they did not state that they provided a copy of their argument to claimant as required by OAR 471-041-0080(2)(a) (May 13, 2019).

EVIDENTIARY MATTER: EAB has considered additional evidence as necessary to complete the record when reaching this decision under OAR 471-041-0090(1) (May 13, 2019). The additional evidence is a traffic citation and accompanying documents, has been marked as EAB Exhibit 1, and provided to the parties with this decision. Any party that objects to EAB taking notice of this information must send their objection to EAB in writing, stating why they object, within ten days of EAB mailing this decision. OAR 471-041-0090(2). Unless EAB receives and agrees with the objection, the exhibit will remain in the record.

FINDINGS OF FACT: (1) Toms Driving Academy, LLC employed claimant as a driving instructor from July 2025 through April 16, 2026.

(2) The employer expected their driving instructors to ensure that their students complied with traffic laws during lessons. Claimant understood this expectation.

(3) In or around February 2026, the employer issued claimant a written warning for several points of dissatisfaction with his work. These included: claimant frequently making errors on his timesheets; students complaining that claimant had failed to provide adequate instruction during their lessons; and

claimant being removed from a certification course the employer had paid for him to attend because he failed to complete an assignment from the course provider.

(4) On April 2, 2026, while claimant was conducting a driving lesson, the student drove through an intersection against a red traffic signal. Claimant failed to instruct the student prior to entering the intersection to stop the car, and did not use the instructor brake on his side of the car to stop it. The incident triggered an automated camera system and resulted in the employer being cited for the violation by mail.

(5) On April 16, 2026, after reviewing the citation, the employer discharged claimant for having failed to prevent the student from committing a traffic violation on April 2, 2026.

CONCLUSIONS AND REASONS: Order No. 26-UI-336466 is set aside and the matter remanded for further development of the record.

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).

Isolated instances of poor judgment are not misconduct. OAR 471-030-0038(3)(b). To be isolated, an instance of poor judgment must be a single or infrequent occurrence rather than a repeated act or pattern of other willful or wantonly negligent behavior. OAR 471-030-0038(1)(d)(A). However, acts that violate the law, that are tantamount to unlawful conduct, or that create irreparable breaches of trust in the employment relationship or otherwise make a continued employment relationship impossible exceed mere poor judgment and do not fall within the exculpatory provisions of OAR 471-030-0038(3). OAR 471-030-0038(1)(d)(D).

The employer discharged claimant because they believed that he failed to prevent a student from committing a preventable traffic violation on April 2, 2026. The employer reasonably expected their driving instructors to ensure that their students complied with traffic laws during lessons, and claimant understood this expectation. At hearing, claimant testified that he had some difficulty recalling the incident, but, to the best of his recollection, the traffic signal was yellow at the time the car entered the intersection, and that a slow car directly in front of them likely caused the employer's car to trigger the automatic camera when the signal turned red. Transcript at 20. Claimant maintained that there was no opportunity to use the instructor brake or instruct the student to stop the car prior to the car entering the intersection “[b]ecause the car was already in the intersection when the lights turned yellow.” Transcript at 21. The order under review concluded that this testimony was equally balanced with the employer's testimony that the signal was red prior to the car entering the intersection, and that the employer

therefore failed to show by a preponderance of the evidence that claimant acted with wanton negligence in failing to stop the car from entering the intersection. Order No. 26-UI-336466 at 4. However, in light of the photographic evidence in EAB Exhibit 1, which appears to show that the traffic signal was red prior to the car entering the intersection with no other vehicles in proximity, further development of the record is warranted. *See* EAB Exhibit 1 at 1.

On remand, claimant should be given an opportunity to offer testimony as to whether the photographs accompanying the citation refreshed his recollection of the incident and, if so, whether he recalls new or different details about it. Both parties should be given the opportunity to present any other testimony or other evidence relevant to determining whether claimant acted with at least wanton negligence in connection with the apparent traffic violation.

Furthermore, if the record on remand shows that the April 2, 2026 incident was willful or wantonly negligent, additional inquiry should be made as to whether it was an isolated instance of poor judgment by further developing the record regarding the other alleged violations of employer expectations to determine whether claimant acted willfully or with wanton negligence on those occasions, such that the final incident was not a single or infrequent occurrence.

ORS 657.270 requires the ALJ to give all parties a reasonable opportunity for a fair hearing. That obligation requires the ALJ to ensure that the record developed at the hearing shows a full and fair inquiry into the facts necessary to consider all the issues before the ALJ. ORS 657.270(3); *see accord Dennis v. Employment Division*, 302 Or 160, 728 P2d 12 (1986). Because further development of the record is necessary to decide whether claimant was discharged for misconduct, Order No. 26-UI-336466 is reversed and this matter remanded to the Office of Administrative Hearings for another hearing and order.

DECISION: Order No. 26-UI-336466 is set aside, and this matter remanded for further proceedings consistent with this order.

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

DATE of Service: September 30, 2026

NOTE: The failure of any party to appear at the hearing on remand will not reinstate Order No. 26-UI-336466 or return this matter to EAB. Only a timely application for review of the order mailed to the parties after the remand hearing will return this matter to EAB.

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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 دستورالعمل موجود در پایان آن، از دادگاه تجدید نظر اورگان درخواست تجدید نظر کنید.

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