

SUPREME COURT OF IDAHO

Harris v. Electrical Wholesale, 141 Idaho 1

105 P.3d 267 (2004) · No. No. 29861 · Decided December 20, 2004

SUMMARY

The Supreme Court of Idaho affirmed an Industrial Commission decision awarding unemployment benefits to Brett Harris after his employer discharged him because he became ineligible for coverage under the employer’s insurance policy. The court held that the employer failed to prove by a preponderance of the evidence that Harris’s off-duty traffic citations constituted misconduct connected with his employment. The employer’s general requirement that drivers maintain an insurable driving record did not adequately communicate that off-duty traffic citations could result in discharge and denial of benefits.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	Trout, Justice; Kidwell, Justice; Eismann, Justice; Burdick, Justice; Schroeder, Chief Justice
JURISDICTION	Idaho
DECIDED	December 20, 2004
DOCKET	No. 29861
DISPOSITION	affirmed
PROCEDURAL POSTURE	Employer appealed the Idaho Industrial Commission's decision affirming an unemployment-benefits eligibility determination in favor of the claimant.
STANDARD OF REVIEW	The court reviews appeals from the Industrial Commission for questions of law and will not disturb factual findings supported by substantial and competent evidence. Whether conduct constitutes misconduct is a factual determination reviewed under the substantial-and-competent-evidence standard.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential.
PARTIES	Electrical Wholesale Supply Co., Inc. (EWS) v. Brett S. Harris, State of Idaho, Department of Labor

TOPICS

unemployment benefits

employment law

employee handbooks

standard of review

appellate procedure

PRACTICE AREAS

unemployment benefits

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QUESTIONS PRESENTED

1. Whether Harris was discharged for misconduct in connection with his employment under Idaho's unemployment-benefits statute.
2. Whether the employer's expectation that Harris maintain an insurable driving record was objectively reasonable when the specific conduct that rendered him uninsurable had not been communicated to him.
3. Whether the Industrial Commission's finding that Harris was not discharged for misconduct was supported by substantial and competent evidence.

HOLDINGS

1. Harris was not discharged for misconduct sufficient to disqualify him from unemployment benefits because the employer did not prove by a preponderance of the evidence that its objectively reasonable expectations had been adequately communicated to him.
2. The employer bears the burden of proving misconduct by a preponderance of the evidence, and when that burden is not met, unemployment benefits must be awarded to the claimant.
3. Whether an employer had reasonable grounds to discharge an employee is separate from whether the employee was discharged for misconduct that disqualifies the employee from unemployment benefits.

KEY QUOTATIONS

“Thus, an employer must show by the preponderance of the evidence that it communicated its expectations to the claimant, or that its expectations “flow normally” from the employment relationship.” (141 Idaho at 4; 105 P.3d at 270)

“However, for unemployment insurance purposes, in order for the discharge of an employee to qualify as being for “misconduct” such as to deny a claimant unemployment benefits, the communication standard is higher and more specific than what would be necessary simply to discharge an employee for cause.” (141 Idaho at 5; 105 P.3d at 271)

“The decision of the Industrial Commission awarding unemployment benefits to Harris is affirmed.” (141 Idaho at 5; 105 P.3d at 271)

FACTUAL BACKGROUND

Harris worked as a truck driver for Electrical Wholesale Supply and was required under the employer's handbook to maintain a driving record acceptable to the employer's insurance carrier. After receiving two traffic citations while driving his personal vehicle during off-work hours, Harris became uninsurable under the carrier's criteria and was discharged because he could no longer drive company vehicles. The employer had

communicated a general insurability requirement but had not informed Harris that off-work traffic citations of this type could render him uninsurable and lead to discharge.

PROCEDURAL HISTORY

The Idaho Department of Labor determined that Harris was eligible for unemployment benefits because he had not been discharged for misconduct in connection with his employment. After EWS protested, an appeals examiner reached the same conclusion. The Industrial Commission conducted a de novo review and affirmed, and EWS appealed to the Idaho Supreme Court.

DISPOSITION

affirmed

CASES CITED

- Pimley v. Best Values, Inc., 132 Idaho 432, 974 P.2d 78 (1999)
- Welch v. Cowles Publishing Co., 127 Idaho 361, 900 P.2d 1372 (1995)
- Spruell v. Allied Meadows Corp., 117 Idaho 277, 787 P.2d 263 (1990)
- Folks v. Moscow School District No. 281, 129 Idaho 833, 933 P.2d 642 (1997)
- Roll v. City of Middleton, 105 Idaho 22, 665 P.2d 721 (1983)
- Parker v. St. Maries Plywood, 101 Idaho 415, 614 P.2d 955 (1980)
- Cook v. Western Field Seeds, Inc., 91 Idaho 675, 429 P.2d 407 (1967)
- Beaty v. City of Idaho Falls, 110 Idaho 891, 719 P.2d 1151 (1986)
- Johns v. S.H. Kress & Co., 78 Idaho 544, 307 P.2d 217 (1957)