

COURT OF APPEALS OF OREGON

Powell v. Employment Department and First Congregational Church of Portland

Powell v. Employment Dept., 347 Or. App. 55 (2026) · No. A185894 · Decided February 11, 2026

SUMMARY

The Oregon Court of Appeals affirmed an Employment Appeals Board decision denying unemployment benefits to Keith Powell because he voluntarily left employment without good cause, including to avoid a potential discharge for misconduct. The court also imposed a \$500 monetary sanction after finding that Powell's briefs contained fabricated legal citations and quotations associated with AI-assisted research.

CASE DETAILS

COURT	Court of Appeals of Oregon
WRITING FOR THE COURT	Joyce, J.; Ortega, Presiding Judge; Joyce, Judge; Hellman, Judge
JURISDICTION	Oregon Court of Appeals
DECIDED	February 11, 2026
DOCKET	A185894
DISPOSITION	affirmed
PROCEDURAL POSTURE	Petition for review of an Employment Appeals Board order reversing an administrative law judge's decision awarding unemployment benefits and denying benefits on the ground that claimant voluntarily left work without good cause.
STANDARD OF REVIEW	The court reviews the board's factual findings for substantial evidence and reviews whether, given those findings, the governing rule's good-cause standard was satisfied as a matter of law.
PRECEDENTIAL VALUE	Published precedential opinion
PARTIES	Keith Powell v. Employment Department, First Congregational Church of Portland

TOPICS

- unemployment benefits
- administrative law
- appellate procedure
- sanctions
- employment law

PRACTICE AREAS

employment law

administrative law

appellate procedure

civil procedure

QUESTIONS PRESENTED

1. Whether the Employment Appeals Board exceeded its authority by reversing the administrative law judge's order without identifying legal error or citing substantial new evidence.
2. Whether the board misapplied ORS 657.176(2)(c) and OAR 471-030-0038 in determining that Powell voluntarily left work without good cause.
3. Whether the board incorrectly concluded that Powell resigned to avoid a potential discharge for misconduct.
4. Whether the board improperly rejected or reversed credibility determinations made by the administrative law judge.
5. Whether sanctions were warranted for Powell's submission of briefs containing fabricated legal authorities and quotations.

HOLDINGS

1. A monetary sanction was warranted because Powell submitted briefs containing fabricated cases and quotations after having notice that his research process could produce inaccurate authority, failed to alert the court before argument, and thereby wasted the employer's and the court's resources.
2. The Employment Appeals Board correctly concluded that Powell voluntarily left work without good cause because he resigned to avoid what otherwise could have been a discharge for misconduct.
3. The board did not improperly reverse or disregard the ALJ's credibility determinations; any explicit credibility determinations were addressed by the board, and the ALJ's statement that competing testimony was 'seen in balance' was not an explicit credibility finding in Powell's favor.
4. The board was not required to cite substantial new evidence under ORS 183.482 because that statute governs the jurisdiction and procedure of the Oregon Court of Appeals, not the board's standard of review.

KEY QUOTATIONS

“Further, self-represented parties “must inform [themselves] of and comply with court rules as any other litigant.”” (59)

“Every hour spent addressing false citations and statements of law is an hour diverted from those matters in which attorneys have supported their arguments with precedent that exists.” (60)

“The board reversed the ALJ, concluding that claimant had voluntarily quit work without good cause because he quit to avoid what would otherwise be a potential discharge for misconduct.” (62)

FACTUAL BACKGROUND

Powell worked as a business manager for First Congregational Church from May 2022 until March 2024 and suffered from extreme anxiety and childhood PTSD. After an outburst involving an office manager and an alleged failure to timely report the office manager's resignation, the employer placed Powell on paid administrative leave while investigating possible misconduct. Powell resigned before the investigation concluded, and the employer had not decided whether to discharge him. The Employment Appeals Board found that he resigned to avoid a potential discharge for misconduct and therefore lacked good cause to leave work.

PROCEDURAL HISTORY

The Employment Department denied Powell's claim for unemployment benefits, concluding that he voluntarily quit without good cause. An administrative law judge reversed and awarded benefits, but the Employment Appeals Board reversed the ALJ and denied benefits. Powell sought review in the Oregon Court of Appeals, which affirmed the board and imposed a \$500 monetary sanction for submitting briefs containing fabricated authority and quotations.

DISPOSITION

affirmed

CASES CITED

- State v. Palmer, 35 Or. App. 125, 128, 580 P.2d 592 (1978)
- Ringo v. Colquhoun Design Studio, LLC, 345 Or. App. 301, 304 (2025)
- Lane County v. Employment Department, 299 Or. App. 373, 377, 449 P.3d 524 (2019)

INSTRUCTIONS FOR AN AI ASSISTANT

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