

SUPREME COURT OF IDAHO

Chapman v. NYK Line North America, Inc., 147 Idaho 178

207 P.3d 154 (2009) · No. No. 35014 · Decided April 6, 2009

SUMMARY

The Idaho Supreme Court affirmed the Industrial Commission's determination that Merrie Chapman was ineligible for unemployment benefits because she engaged in misconduct by intentionally recording an investigatory interview after agreeing not to do so. The court held that the Commission did not abuse its discretion by denying Chapman's request for an evidentiary hearing and that its findings were supported by substantial and competent evidence. The court also held that NYK Line was not entitled to attorney's fees under Idaho Code section 12-121.

CASE DETAILS

COURT	Supreme Court of Idaho
WRITING FOR THE COURT	W. Jones, J.; Burdick; Horton; Jones; Trout
JURISDICTION	Idaho
DECIDED	April 6, 2009
DOCKET	No. 35014
DISPOSITION	affirmed
PROCEDURAL POSTURE	Chapman appealed the Idaho Industrial Commission's decision affirming an appeals examiner's determination that she was discharged for misconduct and therefore ineligible for unemployment benefits.
STANDARD OF REVIEW	The court freely reviews the Commission's legal conclusions, reviews denial of a supplemental evidentiary hearing for abuse of discretion, and will not disturb factual findings supported by substantial and competent evidence.
PRECEDENTIAL VALUE	Published Idaho Supreme Court opinion; precedential.
PARTIES	Merrie E. Chapman v. NYK Line North America, Inc., Idaho Department of Labor

TOPICS

unemployment benefits

administrative law

appellate procedure

standard of review

hostile work environment

PRACTICE AREAS

Employment law

Administrative law

Unemployment benefits

QUESTIONS PRESENTED

1. Whether the Industrial Commission abused its discretion by denying Chapman's request for an evidentiary hearing concerning the tape recorder.
2. Whether substantial and competent evidence supported the Commission's finding that Chapman was discharged for misconduct connected with her employment and was therefore ineligible for unemployment benefits.
3. Whether NYK Line was entitled to attorney's fees on appeal under Idaho Code section 12-121.

HOLDINGS

1. The Industrial Commission did not abuse its discretion in denying Chapman's request for an additional evidentiary hearing because the recorder's operation could be adequately explained through the existing documentary record and Chapman did not show that a physical examination of the device was necessary.
2. Substantial and competent evidence supported the Commission's finding that Chapman intentionally recorded the interview after agreeing not to do so, that the conduct constituted misconduct connected with her employment, and that she was ineligible for unemployment benefits.
3. NYK Line was not entitled to attorney's fees under Idaho Code section 12-121 because a claim for unemployment benefits is not a civil action commenced by filing a complaint.

KEY QUOTATIONS

"The Industrial Commission does not abuse its discretion when (1) the issue is correctly perceived as discretionary, (2) the Industrial Commission acts within the bounds of that discretion and consistent with the applicable legal standards, and (3) the decision is reached through an exercise of reason." (158)

"Misconduct is defined as "(1) a willful, intentional disregard of the employer's interest; (2) a deliberate violation of the employer's rules; or (3) a disregard of standards of behavior which the employer has a right to expect of its employees."" (158)

FACTUAL BACKGROUND

Chapman was discharged by NYK Line after an attorney investigating Chapman's employment complaints told her not to record their interview, Chapman agreed, and a recorder was later found to have recorded the conversation. Chapman maintained that the recording was accidental, but the appeals examiner and Industrial Commission found that she intentionally recorded the interview and thereby engaged in misconduct connected with her employment. The Commission denied Chapman's request for an evidentiary hearing concerning the recorder's voice-activation feature.

PROCEDURAL HISTORY

Chapman was initially awarded unemployment benefits after NYK Line discharged her for allegedly failing to comply with an internal investigation. Following NYK Line's challenge, an appeals examiner reversed the eligibility determination. The Industrial Commission affirmed and denied Chapman's request for an evidentiary hearing to present a tape recorder and additional evidence. The Idaho Supreme Court affirmed the Commission's decision and denied NYK Line's request for attorney's fees.

DISPOSITION

affirmed

CASES CITED

- Giltner, Inc. v. Idaho Dept. of Commerce and Labor, 145 Idaho 415, 418, 179 P.3d 1071, 1074 (2008)
- Steen v. Denny's Rest., 135 Idaho 234, 235, 16 P.3d 910, 911 (2000)
- Uhl v. Ballard Med. Prod., Inc., 138 Idaho 653, 657, 67 P.3d 1265, 1269 (2003)
- Teevan v. Office of the Attorney Gen., 130 Idaho 79, 81, 936 P.2d 1321, 1323 (1997)
- White v. Idaho Forest Indus., 98 Idaho 784, 785 n. 1, 572 P.2d 887, 888 n. 1 (1977)
- Super Grade, Inc. v. Idaho Dept. of Commerce and Labor, 144 Idaho 386, 390, 162 P.3d 765, 769 (2007)
- Beaty v. City of Idaho Falls, 110 Idaho 891, 892-93, 719 P.2d 1151, 1152-53 (1986)
- Quinn v. J.R. Simplot Co., 131 Idaho 318, 321, 955 P.2d 1097, 1100 (1998)
- Edwards v. Independence Services, Inc., 140 Idaho 912, 914, 104 P.3d 954, 956 (2004)
- Scrivner v. Service IDA Corp., 126 Idaho 954, 960, 895 P.2d 555, 561 (1995)
- Kivalu v. Life Care Ctrs. of America, 142 Idaho 262, 263-64, 127 P.3d 165, 166-67 (2005)
- Harris v. Electrical Wholesale, 141 Idaho 1, 4, 105 P.3d 267, 270 (2004)
- Pimley v. Best Values, Inc., 132 Idaho 432, 435, 974 P.2d 78, 81 (1999)