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5 UNITED STATES DISTRICT COURT
6 EASTERN DISTRICT OF WASHINGTON

7 CASEY CLARKSON,

8 Plaintiff,

9 v.

10 ALASKA AIRLINES, INC.,
11 HORIZON AIR INDUSTRIES, INC.,
12 and ALASKA AIRLINES
PENSION/BENEFITS
ADMINISTRATIVE COMMITTEE,

13 Defendants.

NO. 2:19-CV-0005-TOR

ORDER DENYING DEFENDANTS
ALASKA AIRLINES, INC. AND
HORIZON AIR INDUSTRIES, INC.'S
MOTION TO DISMISS

14 BEFORE THE COURT is Defendant Alaska Airlines, Inc. and Horizon Air
15 Industries, Inc.'s ("Defendants") Motion to Dismiss. ECF No. 18. This matter
16 was submitted without oral argument. The Court has reviewed the record and files
17 herein, and is fully informed. For the reasons discussed below, Defendants'
18 Motion to Dismiss (ECF No. 18) is **DENIED**.

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ORDER DENYING DEFENDANTS' MOTION TO DISMISS ~ 1

1 **BACKGROUND**

2 On January 7, 2019, Plaintiff Casey Clarkson initiated this class action
3 against Defendants Alaska Airlines, Inc. (“Alaska”) and Horizon Air Industries,
4 Inc. (“Horizon”) under the Uniformed Services Employment and Reemployment
5 Rights Act (“USERRA”), 38 U.S.C. § 4301 *et seq.*¹ ECF No. 1. The allegations
6 raised in Plaintiff’s Complaint revolve around one central issue—the
7 reemployment position and benefits a service member is entitled when returning to
8 a civilian job following periods of short-term military leave. Plaintiff asserts that
9 Horizon and Alaska have adopted and applied certain policies to servicemember-
10 pilots who take short-term military leave that violate USERRA’s requirements and
11 protections. This class action hinges on the alleged illegality of these policies.

12 On April 17, 2019, Alaska and Horizon filed a Motion to Dismiss, which is
13 presently before the Court. ECF No. 18. Alaska and Horizon move the Court to
14 dismiss all counts against them for failure to state a claim under Federal Rule of

15 _____
16 ¹ Plaintiff also asserts an individual claim against Defendant Alaska Airlines
17 Pension/Benefits Administrative Committee for violations of the Employee
18 Retirement Income Security Act of 1979 (“ERISA”), 29 U.S.C. § 1024(b). *See*
19 ECF No. 1 at 29-31. Plaintiff’s individual ERISA claim is not at issue in the
20 pending motion.

1 Civil Procedure 12(b)(6). ECF No. 18. On May 21, 2019, Plaintiff submitted a
2 response to Defendants’ motion. ECF No. 24. Defendants timely filed a reply
3 brief in support of their motion on June 11, 2019. ECF No. 29.

4 **FACTS**

5 The following facts are drawn from Plaintiff’s Complaint and are accepted
6 as true for purposes of the instant motion only. *Bell Atl. Corp. v. Twombly*, 550
7 U.S. 544, 556 (2007). In November 2013, Plaintiff was hired by Horizon to work
8 as a turboprop passenger aircraft pilot. ECF No. 1 at ¶ 42. Plaintiff worked for
9 Horizon until he was hired by Alaska to pilot a 737 passenger jet in November
10 2017. *Id.* at ¶ 13. Plaintiff is currently employed by Alaska. *Id.*

11 While working as a commercial pilot for Horizon and Alaska, Plaintiff also
12 served in the Washington Air National Guard. *Id.* Plaintiff’s membership in the
13 National Guard required him to take several periods of short-term military leave
14 throughout his employment with both Defendants. *Id.* As noted, Horizon and
15 Alaska have implemented certain policies regarding employees who take short-
16 term military leave, discussed further below, which Plaintiff claims violate various
17 provisions of USERRA.

18 **A. Horizon’s “Virtual Credit” Policy**

19 Beginning with Horizon, Plaintiff identifies two interacting policies that
20 allegedly result in several violations of USERRA. First, Horizon divides its

1 turboprop pilots into the following three categories: Regular Line holders, Reduced
2 Line holders, and Reserve Line holders. *Id.* at ¶ 39. According to Plaintiff,
3 Regular Line holders make more money and have a more predictable schedule than
4 Reserve or Reduced Line holders. *Id.* Regular Line holders receive a 70-hour per
5 month minimum guarantee, meaning a Regular Line holder is guaranteed at least
6 70 hours of pay per month. To attain Regular Line holder status, a pilot must work
7 at least 70 hours per month. *Id.* at ¶ 4. If a pilot works less than 70 hours per
8 month, however, the pilot loses his Regular Line holder status and becomes a
9 Reserve Line holder. *Id.*

10 Second, since at least May 2017, Horizon has used a “virtual credit” policy
11 to determine the position a pilot returns to following periods of qualifying leave,
12 including short-term military leave. *Id.* at ¶¶ 3, 38. Under the “virtual credit”
13 policy, Horizon credits its pilots 2.45 hours of work per day for each day of
14 qualifying military leave. *Id.* at ¶ 38. Plaintiff notes that Horizon does not,
15 however, give its pilots full credit for the flight hours pilots would have flown
16 during periods of military leave.

17 Because he was unable to receive full credit for the hours he would have
18 worked during periods of military leave, Plaintiff alleges that Horizon’s “virtual
19 credit” policy caused him to lose his Regular Line holder status. Plaintiff first
20 went on military leave as a Horizon employee from June 8, 2017, through June 8,

1 2018. *Id.* at ¶ 43. According to his Complaint, Plaintiff was on military leave for
2 22 days in June 2017 and 7 days in July 2017. *Id.* at ¶¶ 43-44. When Plaintiff
3 returned to work from military leave, Horizon credited Plaintiff 53.9 hours of work
4 for June 2017 (22 days of leave x 2.45 “virtual credit” hours per day). *Id.* at ¶ 43.
5 However, when combined with the hours Plaintiff actually worked that month, the
6 total amount of hours accrued for June 2017 was less than the Regular Line
7 requirement of 70 hours per month. *Id.* Horizon also credited Plaintiff 17.1 hours
8 of work for July 2017 (7 days of military leave x 2.45 “virtual credit” hours per
9 day). *Id.* at ¶ 44. Adding the “virtual credit” hours to those Plaintiff actually
10 worked in July, Plaintiff again accrued less than 70 total hours that month. *Id.*
11 Because Plaintiff did not reach the 70-hour threshold to remain a Regular Line
12 holder in July 2017, Plaintiff “was accordingly demoted to Reserve Line holder in
13 the following month.” *Id.* at ¶ 45.

14 In August 2017, Plaintiff worked more than 70 hours and returned to his
15 Regular Line holder status. *Id.* at ¶ 46. However, Plaintiff was again required to
16 take short-term military leave the following month from September 26 to
17 September 30, 2017. *Id.* Plaintiff was allocated 12.25 hours of virtual credit for
18 the 5 days of military leave. *Id.* Receiving only 12.25 hours of virtual credit for
19 that period of military leave, Plaintiff did not meet the 70-hour threshold to remain
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1 a Regular Line holder and was again demoted from Regular Line holder to Reserve
2 Line holder. *Id.*

3 In October 2017, Plaintiff was again required to take military leave. *Id.* at ¶
4 47. However, unlike months prior, Plaintiff was able to meet the 70-hour threshold
5 to maintain his Regular Line holder status by working extra days when he was not
6 on military leave. *Id.* Accordingly, Plaintiff was able “to be a Regular Line holder
7 in the following month.” *Id.*

8 Plaintiff alleges that Horizon’s act of demoting him from Regular Line
9 holder status to Reserve Line holder status adversely affected various benefits of
10 employment to which he was entitled, including his wages and work schedule in
11 the months following the periods of military leave. *Id.* at ¶ 48. Plaintiff claims
12 that other Horizon pilots who are subject to the same “virtual credit” policy have
13 been similarly harmed by the policy, which results in pilots either being demoted
14 from Regular Line holder to Reserve Line holder or working additional hours to
15 avoid demotion as a result of their short-term military leave. *Id.* at ¶ 49.

16 **B. Horizon and Alaska’s Non-Payment of Wages During Military Leave**

17 Next, Plaintiff asserts that both Horizon and Alaska apply a uniform policy
18 and practice of refusing to pay servicemember-employees their regular wages or
19 salaries during periods of short-term military leave, while paying the regular wages
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1 or salaries of its employees who take comparable forms of non-military leave, such
2 as jury duty and bereavement leave. *Id.* at ¶¶ 55-57.

3 During each year of his employment with Horizon from 2013 to 2017,
4 Plaintiff took one or more periods of short-term military leave. *Id.* at ¶ 55. And
5 during each period of military leave, Plaintiff alleges that Horizon applied its
6 policy of refusing to pay regular wages to employees who take short-term military
7 leave, even though other Horizon employees were eligible to receive their regular
8 wages or salaries during jury duty leave, bereavement leave, or sick leave,
9 consistent with Horizon’s policies. *Id.* at ¶ 56. Unlike those employees taking
10 comparable forms of leave, Plaintiff did not receive his regular wages during
11 periods of short-term military leave. *Id.*

12 While employed by Alaska, Plaintiff was required to take short-term military
13 leave on several occasions between November 2017 and June 2018, most recently
14 from May to June 2018. *Id.* at ¶ 57. Like Horizon, Alaska did not pay Plaintiff
15 wages during these periods of military leave. *Id.* Instead, Alaska applied its policy
16 and practice of refusing to pay employees when they take short-term military
17 leave, while paying employees when they take other comparable forms of non-
18 military leave, such as jury duty, bereavement leave, and sick leave. *Id.*

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1 **C. The U.S. Department of Labor’s Investigation**

2 On June 11, 2017, Plaintiff emailed Horizon’s management regarding the
3 company’s “virtual credit” policy, which he described as harming him and other
4 Horizon pilots who took short-term military leave. *Id.* at ¶ 50. In his email,
5 Plaintiff noted that by only providing pilots with 2.45 hours of virtual credit per
6 day of military leave, which is often smaller than the number of flight hours pilots
7 would work on work-days that are dropped to take military leave, Horizon forces
8 pilots into two options that both violate USERRA: (1) work additional time when
9 they are not taking military leave in order to reach the 70-hour per month
10 threshold, or (2) be demoted to the Reserve Line holder position. *Id.* Horizon did
11 not change its “virtual credit” policy after receiving notice of Plaintiff’s concerns.
12 *Id.*

13 On August 3, 2017, Plaintiff filed a complaint with the U.S. Department of
14 Labor’s (“DOL”) Veterans Employment and Training Services, alleging that
15 Horizon’s “virtual credit” policy violated USERRA. *Id.* at ¶ 51. Plaintiff asserts
16 that DOL initiated an investigation into his claims and subsequently contacted
17 Horizon as part of its investigation. *Id.* at ¶ 52. DOL completed its investigation
18 of Plaintiff’s complaint on October 4, 2017, finding that Horizon’s “virtual credit”
19 policy violates USERRA. *Id.* at ¶ 53. According to Plaintiff, DOL specifically
20 concluded that to comply with USERRA, Horizon should provide virtual credit

1 that is “not less than the value of trips dropped” in the months in which Plaintiff
2 took military leave. *Id.* However, despite DOL’s findings, Horizon has yet to
3 change its “virtual credit” policy. *Id.* at ¶ 54.

4 DISCUSSION

5 A. Rule 12(b)(6) Motion to Dismiss

6 Under Federal Rule of Civil Procedure 8(a)(2), a complaint must contain
7 only “a short and plain statement of relief showing that the pleader is entitled to
8 relief.” Fed. R. Civ. P. 8(a)(2). Federal Rule of Civil Procedure 12(b)(6) provides
9 that a defendant may move to dismiss the complaint for “failure to state a claim
10 upon which relief can be granted.” Fed. R. Civ. P. 12(b)(6). When evaluating a
11 complaint under Rule 12(b)(6), courts must “accept the allegations in the
12 complaint as true, and draw all reasonable factual inferences in favor of the
13 plaintiff.” *Conley v. Gibson*, 355 U.S. 41, 45-46 (1957). And, notwithstanding
14 Rule 8(a)(2), the Supreme Court has specified that pleadings which merely offer
15 “labels and conclusions,” “a formulaic recitation of the elements of a cause of
16 action,” or “naked assertions devoid of further factual enhancements” are not
17 sufficient. *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v.*
18 *Twombly*, 550 U.S. 544, 555-57 (2007)). Thus, while “detailed factual allegations”
19 are not required, “to survive a motion to dismiss, a complaint must contain
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1 sufficient factual matter, accepted as true, to state a claim to relief that is plausible
2 on its face.” *Id.* (quoting *Twombly*, 550 U.S. at 570).

3 In his Complaint, Plaintiff asserts the following four claims against Horizon
4 and Alaska:

- 5 (1) Horizon violated sections 4312 and 4313 of USERRA by failing to
6 reemploy Plaintiff in the proper position following his short-term military
7 leave (Count I);
- 8 (2) Horizon violated section 4316(a) of USERRA by failing to reemploy
9 Plaintiff with the proper seniority and related rights and benefits following
10 his short-term military leave (Count II);
- 11 (3) Horizon violated section 4316(c) of USERRA by demoting Plaintiff to the
12 inferior position of Reserve Line holder following his short-term military
13 leave (Count III); and
- 14 (4) Horizon and Alaska violated section 4316(b) of USERRA by failing to pay
15 Plaintiff wages during periods of short-term military leave (Count IV).

16 ECF No. 1 at 23-29. In the pending motion to dismiss, Horizon and Alaska move
17 the Court to dismiss all of four counts against them for failure to state a claim.

18 ECF No. 18 at 7-8. For reasons discussed below, the Court declines Defendants’
19 request to dismiss Plaintiff’s claims at this stage of the litigation.

20 **B. Position of Reemployment under §§ 4312 and 4313 of USERRA**

In Count I of the Complaint, Plaintiff alleges that Horizon violated sections
4312 and 4313 of USERRA by failing to reemploy him in the proper position
following periods of short-term military leave. Specifically, Plaintiff claims

1 Horizon violated USERRA by reemploying him in the inferior Reserve Line holder
2 position rather than the superior Regular Line holder position. ECF No. 1 at ¶ 69.
3 Defendants urge the Court to dismiss Count I because Plaintiff has failed to allege
4 that Horizon reemployed Plaintiff in the inferior Reserve Line position, as required
5 to state a claim under sections 4312 and 4313. ECF No. 18 at 22-23.

6 Sections 4312 and 4313 of USERRA define a returning service-member's
7 reemployment rights after military service. 38 U.S.C. §§ 4312, 4313. Particularly
8 relevant here, section 4313 establishes the general rule that an employee returning
9 from military service "is entitled to reemployment in the position that he or she
10 would have attained with reasonable certainty if not for the absence due to
11 uniformed service." 20 C.F.R. § 1002.191.

12 Courts rely on two intersecting doctrines to determine the status or position
13 to which a returning service member is entitled—the "escalator principle" and the
14 "reasonable certainty test." *Huhmann v. Federal Express Corp.*, 874 F.3d 1102,
15 1105-06 (9th Cir. 2017). "The 'escalator principle' provides that a returning
16 service member not be removed from the progress ('escalator') of his career
17 trajectory, but rather return to a 'position of employment in which the person
18 would have been employed if the continuous employment of such person with the
19 employer had not been interrupted by such service.'" *Id.* at 1105-06 (quoting 38
20 U.S.C. § 4313(a)(2)(A)). "The escalator principle requires that the employee be

1 reemployed in a position that reflects with reasonable certainty the pay, benefits,
2 seniority, and other job perquisites, that he or she would have attained if not for the
3 period of service.” 20 C.F.R. § 1002.191. “The ‘reasonable certainty test’ aids in
4 determining the returning service member’s position on the ‘escalator,’ inquiring
5 into the position a returning service member would have been ‘reasonably certain’
6 to have attained absent the military service.” *Huhmann*, 874 F.3d at 1106 (quoting
7 20 C.F.R. § 1002.191). “Together, the escalator and reasonable certainty
8 principles guarantee that progress in the returning service member’s overall career
9 trajectory has not been set back by his service.” *Id.*

10 In his Complaint, Plaintiff confirms that he was demoted from Regular Line
11 holder to Reserve Line holder in August 2017 because he failed to meet the 70-
12 hour requirement to maintain Regular Line holder status in July 2017. ECF No. 1
13 at ¶¶ 43-47 (“Because Clarkson did not receive virtual credit for the flight hours
14 that he was reasonably certain to earn during the period of his military leave in July
15 2017, Clarkson did not reach the 70-hour threshold to remain a Regular Line
16 holder, and he was accordingly demoted to Reserve Line holder *in the following*
17 *month . . .*” (emphasis added)). However, as Defendants correctly point out,
18 Plaintiff’s Complaint does not establish Plaintiff’s reemployment position when he
19 initially returned to work in July 2017. In fact, Plaintiff does not specify the exact
20 date of his reemployment with Horizon nor confirm his reemployment position and

1 status on that date. Without these facts, the Court is simply unable to evaluate
2 Plaintiff's claim under either the escalator principle or the reasonable certainty test.
3 Thus, the Court finds that Plaintiff's allegations in Count I regarding his position
4 of employment are of the type wholly inadequate under *Twombly* and *Iqbal*.

5 Under Federal Rule of Civil Procedure 15(a), leave to amend a party's
6 pleading "should [be] freely give[n] . . . when justice so requires," because the
7 purpose of the rule is "to facilitate decision on the merits, rather than on the
8 pleadings or technicalities." *Novak v. United States*, 795 F.3d 1012, 1020 (9th Cir.
9 2015) (citation omitted). "[A] district court should grant leave to amend even if no
10 request to amend the pleading was made, unless it determines that the pleading
11 could not possibly be cured by the allegation of other facts." *Lopez v. Smith*, 203
12 F.3d 1122, 1127 (9th Cir. 2000); *Lacey v. Maricopa Cty.*, 693 F.3d 896, 926 (9th
13 Cir. 2012). Here, the Court grants Plaintiff leave to amend his Complaint to clarify
14 the allegations in Count I regarding his position of employment. Specifically,
15 Plaintiff must identify (1) the exact date of his reemployment with Horizon in July
16 2017, and (2) his exact reemployment position and status on that date, i.e., whether
17 he was reemployed as a Regular Line holder or Reserve line holder.

18 **C. Seniority-Based Rights and Benefits Under § 4316(a) of USERRA**

19 In Count II of the Complaint, Plaintiff alleges that Horizon violated section
20 4316(a) of USERRA by failing to treat his military leave of absence "as continuous

1 employment in computing the number of hours of credit [he] had for the purposes
2 of determining the employee's position following a period of military leave." ECF
3 No. 1 at ¶ 73. According to Plaintiff, by failing to treat military service as
4 continued employment, Horizon denied Plaintiff the "rights and benefits" he was
5 entitled to upon reemployment, "including the seniority or position of Regular Line
6 holder, the opportunity or privilege to select their positions or work schedules, and
7 other privileges of employment." *Id.* at ¶ 74. Defendants move to dismiss Count
8 II on the ground that "Section 4316(a) only applies to seniority-based benefits and
9 daily service credit beyond 2.45 hours is not a seniority-based benefit on its face."
10 ECF No. 18 at 24.

11 Section 4316(a) of USERRA provides that, when an employee returns to
12 employment after a military service absence, he is "entitled to the seniority and
13 other rights and benefits determined by seniority that the person had on the date of
14 the commencement of service in the uniformed services plus the additional
15 seniority and rights and benefits that such person would have attained if the person
16 had remained continuously employed." 38 U.S.C. § 4316(a). The term "seniority"
17 is defined as "longevity in employment together with any benefits of employment
18 with might accrue with, or are determined by, longevity in employment. 38 U.S.C.
19 § 4303(12). In *Alabama Power Co. v. Davis*, in finding that pension payments
20 were a seniority-based benefit, the Supreme Court explained that a benefit is

1 seniority-based if it “would have accrued, with reasonable certainty, had the
2 veteran been continuously employed by the private employer, and if it is in the
3 nature of a reward for length of service.” 431 U.S. 581, 589 (1977).

4 Here, Count II of Plaintiff’s Complaint turns on whether Regular Line
5 holder status, and the rights and benefits attached to such status, constitutes
6 “seniority and other rights and benefits determined by seniority” under section
7 4316(a). Defendants maintain that Regular Line holder status does not qualify as a
8 “benefit” under section 4316(a) because a seniority-based benefit under section
9 4316(a) cannot be a form of short-term compensation for services rendered. ECF
10 No. 29 at 17. Plaintiff responds that “the rights and benefits at issue do not
11 constitute [a] compensation for work performed but instead involve a credit while
12 on leave.” ECF No. 24 at 18.

13 The Court finds that it cannot decide this seniority issue on the pleadings
14 alone. Rather, the allegations raised in Count II concern a factual dispute that
15 requires the Court to consider evidence outside of Plaintiff’s Complaint.
16 Specifically, resolution of this issue would require the Court to consider evidence
17 outside the pleadings, such as Horizon’s official policies regarding Regular Line
18 holder status, how the status is determined and maintained, and how employees
19 might benefit from that status. Plaintiff’s Complaint simply does not provide
20 sufficient evidence for the Court to make a determination on the seniority issue at

1 this time. Accordingly, the Court denies Defendants’ motion as it relates to Count
2 II because the Court requires evidence outside the Plaintiff’s Complaint to make a
3 determination on this issue.

4 **D. Discharge Without Cause Under § 4316(a) of USERRA**

5 In Count III of the Complaint, Plaintiff alleges that Horizon violated section
6 4316(c) of USERRA by demoting him, without cause, to the inferior position of
7 Reserve Line holder within 180 days of his reemployment. ECF No. 1 at 26.

8 Defendants move to dismiss this claim on two grounds: (1) the Complaint does not
9 allege that Plaintiff took military leave of “more than 30 days,” as required for
10 USERRA’s discharge provision to apply; and (2) Plaintiff fails to allege that he
11 was discharged “without cause.” ECF Nos. 18 at 25-26; 29 at 19.

12 Under section 4316(c), a veteran who serves over 30 days in the military and
13 is reemployed under USERRA “shall not be discharged from such employment,
14 except for cause” within 180 days after the date of reemployment. 38 U.S.C. §
15 4316(c)(2). “The employee may be discharged for cause based either on conduct,
16 or, in some circumstances, because of the application of other nondiscriminatory
17 reasons.” 20 C.F.R. § 1002.248. USERRA’s implementing regulations clarify
18 that, to qualify for this protection against discharge, “the employee’s most recent
19 *period of service in the uniformed services*” must be more than 30 days. 20 C.F.R.
20 § 1002.247 (emphasis added). This language suggests that the period of *military*

1 *service*, rather than the number of days taken for *military leave* from employment,
2 determines an employee’s eligibility for section 4316(c)’s discharge protection
3 under USERRA. Accordingly, because Plaintiff took leave for a period of military
4 service extending from June 8, 2017, through July 8, 2017—a period consisting of
5 31 days—he likely satisfied section 4316(c)’s 30-day requirement, contrary to
6 Defendants’ contentions. *See* ECF No. 1 at ¶ 43.

7 Regarding Defendants’ alternative argument for dismissal of this claim, the
8 Court finds that the issue of whether Plaintiff’s demotion constitutes “discharge”
9 under section 4316(c), and whether his demotion was “for cause,” cannot be
10 decided on the pleadings alone. Rather, the allegations on Count III concern a
11 factual dispute that requires the Court to consider evidence outside of Plaintiff’s
12 Complaint. Plaintiff’s Complaint does not provide sufficient evidence for the
13 Court to make a determination as to whether Plaintiff was “demoted,” and if he
14 was, whether Horizon had “cause,” issues which are largely fact-based.
15 Accordingly, the Court denies Defendants’ motion to dismiss insofar as it relates to
16 Count III because the Court requires evidence outside the Plaintiff’s Complaint to
17 make a determination on this claim.

18 **E. Payment of Wages During Military Leave Under § 4316(b) of USERRA**

19 Finally, in Count IV of the Complaint, Plaintiff alleges that both Horizon
20 and Alaska violated section 4316(b) of USERRA by “failing to pay employees

1 their regular wages or salaries when they take short-term military leave, while
2 continuing to pay employees their wages or salaries when they take other
3 comparable forms of non-military leave such as jury duty, bereavement leave, and
4 sick leave.” ECF Nos. 1 at ¶¶ 82-84; 24 at 21. Defendants move the Court to
5 dismiss this claim because “USERRA does not require, in Section 4316(b) or
6 otherwise, that a civilian employer pay employees’ wages for periods of military
7 service.” ECF No. 18 at 9.

8 Section 4316(b) of USERRA provides that an employee who is absent from
9 a position of employment by reason of service in the uniformed services shall be
10 entitled to such other rights and benefits not determined by seniority
11 as are generally provided by the employer of the person to employees
12 having similar seniority, status, and pay who are on furlough or leave
13 of absence under a contract, agreement, policy, practice, or plan in
14 effect at the commencement of such service or established while such
15 person performs such service.

16 38 U.S.C. § 4316(b)(1)(B). “Rights and benefits” are defined as

17 the terms, conditions, or privileges of employment, including any
18 advantage, profit, privilege, gain, status, account, or interest
19 (including wages or salary for work performed) that accrues by reason
20 of an employment contract or agreement or an employer policy, plan,
or practice

38 U.S.C. § 4303(2). Thus, under section 4316(b), “[t]he non-seniority rights and
benefits to which an employee is entitled during a period of service are those that
the employer provides to similarly situated employees by an employment contract,

1 agreement, policy, practice, or plan in effect at the employee’s workplace.” 20
2 C.F.R. § 1002.150(a). Importantly, “[i]f the non-seniority benefits to which
3 employees on furlough or leave of absence are entitled vary according to the type
4 of leave, the employee must be given the most favorable treatment accorded to any
5 comparable form of leave when he or she performs service in the uniformed
6 services. In order to determine whether any two types of leave are comparable, the
7 duration of the leave may be the most significant factor to compare. For instance, a
8 two-day funeral leave will not be “comparable” to an extended leave for service in
9 the uniformed service.” 20 C.F.R. § 1002.150(b).

10 In the pending motion, Defendants argue that wages for work not performed
11 while on military leave are not a non-seniority-based “benefit” under USERRA
12 and, therefore, Plaintiff fails to state a claim under section 4316(b). ECF No. 18 at
13 13-14. Plaintiff responds that the “rights and benefits” under section 4303(2)
14 includes wages, which must be given equally to employees on military leave if
15 given to other employees who take comparable forms of leave. ECF No. 24 at 22.

16 Again, the Court concludes that it is unable to decide this issue on the
17 pleadings alone. At minimum, in evaluating the allegations in Count IV, the Court
18 would be required to consider what other “similarly situated employees” of
19 Horizon and Alaska are guaranteed by “employment contract, agreement, policy,
20 practice, or plan in effect at the employee’s workplace,” which would require the

1 Court to review evidence extraneous to the pleadings. Plaintiff's Complaint does
2 not provide sufficient evidence for the Court to make a comparability
3 determination on the wage issue at this time. Rather, these arguments would be
4 more appropriately considered on a motion for summary judgment so the Court
5 can consider relevant evidence outside the pleadings. Accordingly, the Court
6 denies Defendants' motion insofar as it relates to Count IV because the Court
7 requires evidence outside Plaintiff's Complaint to make a determination on this
8 issue.

9 **ACCORDINGLY, IT IS HEREBY ORDERED:**

- 10 1. Defendants' Motion to Dismiss (ECF No. 18) is **DENIED**.
- 11 2. Plaintiff is granted leave to amend his Complaint regarding his position
12 of reemployment claim (Count I). Plaintiff shall file an Amended
13 Complaint **within 14 days** of this Order.

14 The District Court Executive is directed to enter this Order and furnish
15 copies to counsel.

16 **DATED** June 17, 2019.



Thomas O. Rice
THOMAS O. RICE
Chief United States District Judge