

Chair Dresser thanked Vice Chair Allen for working on procedures for the Precedent Committee.

5. Board Member Reports:

Vice Chair Allen reported that last year they put in quite a bit of work on the Precedent Process Committee. He wants it to be transparent as to how the precedent process works, for example how it is initiated, who participates in it, and so forth.

6. Public Comment:

No public comment.

7. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales reported that the field has been able to keep up with meeting the Department of Labor timeliness standards, made easier in large part because the caseload is dropping so quickly.

Chief ALJ/Executive Director Gonzales followed up on the Chair's report regarding the Department of Labor review of our appeals process. There was an entrance interview in Inglewood and Hugh Harrison, Assistant Chief, who is the guru of Field Operations, worked with DOL daily throughout the process. She met with them in Inglewood and here in Sacramento, but the daily dealings were with Judge Harrison. There was a representative from the National Office, Stephanie Garcia, and a representative from DOL Region 6, Candace Edens. The representatives were very pleasant and complimented the staff on how cooperative and pleasant the staff was to work with. It appears to have gone well. We asked the DOL representatives if they had any suggestions for improvement, as we would be open and receptive to any suggestions that the Field or National Office might have for our process. The representatives stated that they regularly perform reviews of all states every couple of years, and they had not done a review of California for some time, so this review was consistent with what they would do normally as well as responding to the letter from CASE about the process. This was actually a positive experience for the staff and for DOL.

Chief ALJ/Executive Director Gonzales announced that we have a new CIO, Nick Dressler, who is a returning employee. Nick formerly worked for the CUIAB in the IT Department, and he will start June 22.

Chair Dresser thanked Hugh Harrison, Lori Kurosaka and Janet Maglinte for their help with regard to the DOL review.

Chief ALJ/Executive Director Gonzales echoed Chair Dressers thanks and stated that Lori Kurosaka had been CUIAB's contact with the Department of Labor when the CUIAB was in Corrective Action, and it has continued to be very helpful to have someone like Lori to maintain our relationships with DOL.

Chair Dresser also thanked Michael Levy because he originated and coordinated, with Chief ALJ Gonzales, the response to the DOL complaint filed by CASE.

8. Chief ALJ of Appellate Operations, Elise Rose Report:

Chief ALJ of Appellate Operations Rose reported AO's registrations were down a bit from last month but close to the average. The dispositions have remained stable, and the open balance has gone up slightly. AO's case aging did not quite meet the criteria of 40 days, at 40.9 days, but they are working on getting that number down. Because they are focusing on case aging their time lapse is not meeting the criteria at this time either, but they are continuing to work on that.

Chief ALJ of Appellate Operations Rose reported she has a meeting the Precedent Decision Committee that afternoon. They are reviewing a number of issues, and will be sending to the AO ALJs a list of issues the committee has identified as ripe for precedent. The letter actually has a link to the form that the ALJs can submit that makes it easier for them to provide input. One of things that they want to do is to get more people involved in looking at what is out there and where the ALJs need guidance. They have tweaked the process for precedents so that the chief counsel and board members can have input.

Chief ALJ of Appellate Operations Rose reported that AO is scheduled to have an AO quarterly meeting on June 24. They will be discussing a variety of topics including the new standard paragraphs that came out as a result of the review while Member Adkisson was here, and to make sure everyone is aware of them and also some of the new laws.

Member Allen requested that the new standard paragraphs be sent to the board member electronically. Chief Rose indicated she will get that done.

9. IT Report:

Faye Saunders, IT Manger, reported that there will be a new release of eCATS on

June 22. One of the major changes reflected is the lengthened period for benefit appeals, from 20 days to 30 days. Also, there will be more automation; for example, AO decision packets will be totally automated. Finally, we have received approval to start the CUIAB Portal Project, which will include a lot of online interacting with the parties and it will help with more automation, saving staff and budget time.

Chair Dresser thanked Faye Saunders for all her hard work on the eCATS.

10. Chief Administrative Services, Robert Silva Report:

No report.

11. Chief Counsel's Report:

Chief Counsel Levy introduced Daniel Griffin, an intern working for CUIAB this summer. He is starting his third year at McGeorge Law School, and he will be doing a lot of research for CUIAB. Chief Counsel Levy asked the board members to let him know if they have a specific research requests that they would like him to pass on to Mr. Griffin.

Chief Counsel Levy indicted that the Litigation Report is in the packets. The totals for this year reflect 38 affirmances, 1 reversal and 1 remand. The reversal is Venture Offica Suites which came down from the court of appeal. It involves a tax case which distinguish the *First Aid* case, which said that an employer first pay the payroll taxes before challenging a status determination, pursuant to the "pay first, litigate later" rule of the California Constitution. The Ventura Office Suites case and another recent case, West Hollywood case, have ruled that the pay first litigate later rule doesn't apply when we are dealing with a status determination, as distinguished from an actual tax assessment

12. Unfinished and New Business:

No unfinished or new business.

13. Closed Session:

The Board went into closed session at 11:00 am. No votes were reported.

Adjournment