

Board of Administration

California Public Employees' Retirement System

Agenda Item 8a

February 19, 2015

ITEM NAME: Proposed Decision – In the Matter of the Application for Disability Retirement of MARK GALLEGOS, Respondent, and the DEPARTMENT OF WATER RESOURCES, Respondent.

PROGRAM: Benefit Services Division

ITEM TYPE: Action

PARTIES' POSITIONS

Staff argues that the Board of Administration should adopt the Proposed Decision.

Mark Gallegos (Respondent Gallegos) argues that the Board of Administration should decline to adopt the Proposed Decision.

STRATEGIC PLAN

This item is not a specific product of either the Strategic or Annual Plans. The determination of administrative appeals is a power reserved to the Board of Administration.

PROCEDURAL SUMMARY

Respondent Gallegos submitted an application for service pending disability retirement based on orthopedic (lower back) conditions. CalPERS denied the application for disability retirement. Respondent Gallegos appealed this decision and the matter was heard by the Office of Administrative Hearings on November 4, 2014. Neither Respondent Gallegos nor Respondent Department of Water Resources appeared at the hearing. A Proposed Decision was issued on November 20, 2014, denying the application for disability retirement.

ALTERNATIVES

A. For use if the Board decides to adopt the Proposed Decision as its own Decision:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the Proposed Decision dated November 20, 2014, concerning the application of Mark Gallegos; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision. Agenda Item 8a Board of Administration February 19, 2015 Page 2 of 3

B. For use if the Board decides not to adopt the Proposed Decision, and to decide the case upon the record:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated November 20, 2014, concerning the application of Mark Gallegos, hereby rejects the Proposed Decision and determines to decide the matter itself, based upon the record produced before the Administrative Law Judge and such additional evidence and arguments that are presented by the parties and accepted by the Board; RESOLVED FURTHER that the Board's Decision shall be made after notice is given to all parties.

C. For use if the Board decides to remand the matter back to the Office of Administrative Hearings for the taking of further evidence:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated November 20, 2014, concerning the application of Mark Gallegos, hereby rejects the Proposed Decision and refers the matter back to the Administrative Law Judge for the taking of additional evidence as specified by the Board at its meeting.

- D. Precedential Nature of Decision (two alternatives; either may be used):
 - 1. For use if the Board wants further argument on the issue of whether to designate its Decision as precedential:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System requests the parties in the matter concerning the application of Mark Gallegos, as well as interested parties, to submit written argument regarding whether the Board's Decision in this matter should be designated as precedential, and that the Board will consider the issue whether to designate its Decision as precedential at a time to be determined.

2. For use if the Board decides to designate its Decision as precedential, without further argument from the parties.

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, hereby designates as precedential its Decision concerning the application of Mark Gallegos.

BUDGET AND FISCAL IMPACTS: Not applicable

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ATTACHMENTS

Attachment A:Proposed DecisionAttachment B:Staff's ArgumentAttachment C:Respondent(s) Argument(s)

DONNA RAMEL LUM Deputy Executive Officer Customer Services and Support