Agenda Item 8b

September 17, 2015

ITEM NAME: Proposed Decision – In the Matter of the Application for Reinstatement from Industrial Disability Retirement of DAVID GALLOWAY, Respondent, and CALIFORNIA HIGHWAY PATROL, Respondent.

PROGRAM: Benefit Services Division

ITEM TYPE: Action

PARTIES' POSITIONS

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

Respondent David Galloway (Respondent Galloway) argues that the Board of Administration should not adopt the Proposed Decision.

Respondent California Highway Patrol argues that the Board of Administration should 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 Galloway submitted an application for Reinstatement from Industrial Disability Retirement based on an orthopedic (right knee) condition. CalPERS granted the application for Reinstatement from Industrial Disability Retirement, finding he was no longer substantially incapacitated from the performance of his usual duties as a CHP Officer. Respondent California Highway Patrol appealed this determination and the matter was heard by the Office of Administrative Hearings on March 6, March 18, April 3 and April 27, 2015. A Proposed Decision was issued on July 10, 2015, denying Respondent Galloway's application for Reinstatement from Industrial Disability Retirement.

ALTERNATIVES

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

Agenda Item 8b Board of Administration September 17, 2015 Page 2 of 3

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the Proposed Decision dated July 10, 2015, concerning the application of

David Galloway; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

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 July 10, 2015, concerning the application of David Galloway, 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 July 10, 2015, concerning the application of David Galloway, 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 David Galloway, 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.

Agenda Item 8b Board of Administration September 17, 2015 Page 3 of 3

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 David Galloway.

BUDGET AND FISCAL IMPACTS: Not applicable

ATTACHMENTS

Attachment A: Proposed Decision Attachment B: Staff's Argument

Attachment C: Respondent(s) Argument(s)

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support