
Program: Benefit Services Division

Item Type: Action

Parties’ Positions
Staff argues that the Board of Administration should adopt the Proposed Decision, as modified. Respondent Juan G. Nielsen’s (Respondent Nielsen) position is included in Attachment C, if any.

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
On or about September 24, 2015, Respondent Nielsen submitted an application for industrial disability retirement based on an orthopedic (bilateral knee) condition. CalPERS approved the application for industrial disability retirement and Respondent Nielsen retired for disability. Respondent Nielsen was reevaluated and CalPERS determined that Respondent Nielsen is no longer incapacitated from performing the duties of a Correctional Officer. Respondent Nielsen appealed this determination and the matter was heard by the Office of Administrative Hearings on April 24, 2019. Due to Respondent California Rehabilitation Center, California Department of Corrections and Rehabilitation failure to appear, the case proceeded as a default under Government Code section 11520 as to that party only. A Proposed Decision was issued on May 24, 2019, affirming CalPERS’ determination and denying the appeal.
Alternatives

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

RESOLVED, that the Board of Administration of the California Public Employees’ Retirement System, pursuant to Government Code section 11517 (c)(2)(C) which authorizes the Board to “make technical or other minor changes in the proposed decision,” hereby modifies the Proposed Decision, by changing the final clause in the final sentence in paragraph one on page two from “and was retired for disability effective immediately” to “and his retirement for disability was retroactive to September 25, 2015,” and also changing the word “still” in the first line of paragraph 10 on page 10 to “no longer,” and hereby adopts as its own Decision the Proposed Decision dated May 24, 2019, as modified, concerning the appeal of Juan G. Nielsen; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

B. 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 May 24, 2019, concerning the appeal of Juan G. Nielsen; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

C. 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 May 24, 2019, concerning the appeal of Juan G. Nielsen, 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.

D. 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 May 24, 2019, concerning the appeal of Juan G. Nielsen, 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.

E. 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 appeal of Juan G. Nielsen, 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 appeal of Juan G. Nielsen.

**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
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Customer Services and Support