

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at 800 West Washington Street
Conference Room 308
Phoenix, Arizona 85007
Thursday, March 27, 2014 – 1:00 p.m.

Present:	David M. Parker	Chairman
	Susan Strickler	Vice Chair
	Kathleen Oster	Member
	Michael G. Sanders	Member
	Joseph M. Hennelly, Jr.	Member
	Laura McGrory	Director
	Andrew Wade	Chief Counsel
	Renee Pastor	Manager, Self Insurance
	William Warren	Director, ADOSH
	Bryce Rucker	Compliance Officer
	Steven Black	Compliance Officer
	Michael Hawthorne	Chief Financial Officer
	Melinda Poppe	Chief Administrative Law Judge
	Teresa Hilton	Commission Secretary

Chairman Parker convened the Commission meeting at 1:00 p.m. noting a quorum present. Also in attendance were Scot Butler, Commission lobbyist; Bradford Hammock from the Jackson Lewis law firm; Matthew D. Saxe, PLC; Millie Lee and Tom Carroll from Maricopa County; Stephanie Coulter from the Cavanagh Law Firm; and Andrea Lewis of Snell and Wilmer.

Approval of Minutes of March 19, 2014

The Commission approved the Minutes of the March 19, 2014 General Session with a change on page two under "City of Tucson" from "fully funded" to "moving toward being fully funded" on motion of Ms. Oster, second of Mr. Hennelly. Ms. Strickler was not present for the March 19, 2014 meeting and did not participate in the voting on the Minutes.

The Commission approved the Minutes of the March 19, 2014 first Executive Session on motion of Mr. Sanders, second of Mr. Hennelly.

The Commission approved the Minutes of the March 19, 2014 second Executive Session on motion of Mr. Sanders, second of Mr. Hennelly.

Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

a. Approval of Request for Renewal of Self-Insurance Authority

1. The Roman Catholic Church – Diocese of Tucson

Commissioner Sanders requested that this matter be removed from the consent agenda for clarification of several issues. Renee Pastor responded to his questions regarding the experience rating, open claims, security deposit and financial scores. Following discussion, the Commission unanimously granted renewal of self-insurance authority on motion of Mr. Sanders, second of Ms. Strickler.

Discussion &/or Action regarding Legislation

Scot Butler advised that not much has changed since his last report since the legislature is working on the budget. He advised work is continuing on Senate Bills 1181, 1284 and 1307. He responded to questions from Mr. Sanders regarding the 2012 Legislative Session's SB 1441.

Discussion regarding Residential Fall Protection and Federal OSHA's Notice of Initiation of Proceedings to Reject State Initiated Plan Change No. 133, and Reconsider Arizona's State Plan Authority under Section 18(e) of the Occupational Safety and Health Act. The Commission may move into Executive Session under A.R.S. §§ 38-431.03(A)(3) and (A)(4) to consult with its attorneys to obtain legal advice and to consider its position and instruct its attorneys regarding pending or contemplated litigation

Andrew Wade advised that this is the agenda item regarding the Arizona state-specific standards for residential fall protection. The 2012 Legislature adopted SB 1441 and under its state program Arizona OHSA was required to file a Notice of State Plan Change with federal OSHA. On March 19, 2014 federal OSHA provided a letter to the Industrial Commission stating that Arizona's residential fall protection standards are not at least as effective as the federal program and that federal OSHA will initiate proceedings to reject the state plan change and reconsider Arizona's state plan authority. Mr. Wade described how the letter contains components of two different processes. Mr. Wade explained that federal OSHA's threat to reassert federal jurisdiction in Arizona would apply to construction, meaning both commercial and residential, and could impact the federal grant monies received. He stated that the Industrial Commission has retained the Washington D.C. area law firm, Jackson Lewis, and introduced Mr. Bradford Hammock from the firm.

The Commission unanimously voted to go into Executive Session to consult with its attorneys to obtain legal advice and to consider its position and instruct its attorneys regarding pending or contemplated litigation on motion of Ms. Oster, second of Mr. Sanders. Executive Session Minutes are kept separately.

Upon return to General Session, and consistent with the direction provided in Executive Session, the Commission unanimously authorized Chairman Parker to approve the response that is sent to federal OSHA, on motion of Ms. Oster, second of Mr. Hennelly.

on behalf of Mr. Porto. Mr. Crossman agrees that stopping attorney fees is appropriate at this time.

Mr. Wade stated that he is recommending discontinuing Mr. Crossman's awarded attorneys' fees of 25% of Mr. Porto's benefits and responded to questions from the Commissioners. Following discussion, the Commission unanimously discontinued attorneys' fees on motion of Mr. Sanders, second of Ms. Oster.

Discussion &/or Action regarding the Consideration of Candidates for the Administrative Law Judge positions, discussion regarding interview questions, Selection for Second Interviews, and the salary for those positions. The Commission may move into Executive Session under A.R.S. §§ 38-431.03(A)(1), (A)(2), and (A)(3) to Obtain Legal Advice and to Discuss the Candidates, the Interview Questions, and the salary for those positions

Mr. Wade advised that the Commission has complied with A.R.S. § 38-431.03(A)(1) and no candidate has requested that any discussion concerning them be discussed in open session.

The Commission unanimously voted to go into Executive Session to obtain legal advice, discuss the interview questions, the candidates, and the salary for the administrative law judge positions on motion of Mr. Sanders, second of Ms. Strickler. Executive Session Minutes are kept separately.

Upon return to General Session, the Commission unanimously agreed to interview candidates number one through seven with interviews to be scheduled on Wednesday, April 2 and Friday, April 4, 2014.

Announcements and Scheduling of Future Meetings

Chairman Parker reviewed the meetings that have been scheduled and the Commissioners tentatively agreed to schedule a meeting on April 9, 2014 if necessary. The Commission confirmed meeting dates for May 7, 15, and 22, 2014 with the meeting on May 15 to be held in Tucson.

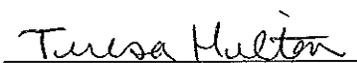
There being no further business to come before the Commission and no public comment, the meeting was adjourned at 4:05 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By


Laura McGrory, Director

ATTEST:


Teresa Hilton, Commission Secretary