

MINUTES OF MEETING  
OF THE INDUSTRIAL COMMISSION OF ARIZONA  
Held at 800 West Washington Street  
Conference Room 308  
Phoenix, Arizona 85007  
Thursday, May 19, 2011 – 1:00 p.m.

Present:	Brian Delfs	Chairman (telephonic)
	David Parker	Vice Chairman (video conference)
	John A. McCarthy, Jr.	Member
	Laura McGrory	Director
	Andrew Wade	Chief Legal Counsel
	Kathy Harris	Legal Counsel
	Darin Perkins	Director, ADOSH
	Noreen Thorsen	Claims Manager
	Mike Hawthorne	Chief Financial Officer
	Teresa Hilton	Commission Secretary

Chairman Delfs convened the Commission meeting at 1:00 p.m. noting a quorum present. Ms. Oster and Ms. Strickler were not able to attend. Also in attendance was Eda Barolli of Snell & Wilmer.

Approval of Minutes of May 12, 2011 Meeting

The Commission unanimously approved the Minutes of May 12, 2011 on motion of Mr. McCarthy, second of Mr. Parker.

Discussion &/or Action regarding Legislation

Laura McGrory stated there was nothing new to report.

Discussion & Action of ADOSH Discrimination Complaint

#10-64 Sergio Alvarez v. Rutherford Diversified Industries, Inc. – Darin Perkins advised that this file was previously presented to the Commission and that the Commission approved the filing of a complaint in Superior Court, subject to additional investigation being conducted. At that time, the Commission requested that additional investigation be conducted regarding the treatment of other employees who filed workers' compensation claims, and asked that the file be brought back to the Commission, if necessary, for reconsideration. Mr. Perkins described the additional investigation that was conducted. He stated that four other employees filed workers' compensation claims. Staff was able to contact two of these employees. Mr. Perkins described that neither employee suffered any negative or adverse action from the employer as a result of their industrial injury. Based upon this new information, Mr. Perkins stated that he and Rachel Morgan, staff attorney, believe that the complainant has not met his burden of proof and that if the Commission continues to move forward with this case, it will be more difficult to prevail. Mr. Perkins recommended that the Commission reconsider its prior action and not pursue the case. Following discussion, the Commission unanimously agreed to reconsider its prior decision on motion of Mr. Parker, second of Mr. McCarthy. The Commission unanimously voted to not pursue the complaint on motion of Mr. Parker, second of Mr. McCarthy.



Discussion & Action of Request for Lump Sum Commutation

Michael George #20102-220591 – Noreen Thorsen presented this lump sum petition with a recommendation to approve the petition. In support of this recommendation, Ms. Thorsen explained how commuting the scheduled award would result in the financial betterment or rehabilitation of the claimant as the lump sum proceeds will allow Mr. George to pay off his debts and repair his vehicle, which will help him in his search for employment. Following discussion, the Commission unanimously approved the lump sum request on motion of Mr. McCarthy, second of Mr. Parker.

Discussion & Action of Applications for New Employment Agency Licenses

Connie J. Mableson on behalf of Brooks Creative Management, LLC  
William L. Jeffries on behalf of Career Solutions of Southern Arizona, LLC

Ms. McGrory advised that these applicants have been investigated by the Labor Department as required by the Revised Statutes and Rules governing Private Employment Agencies. The Employment Advisory Council has recommended approval of these licenses. Following discussion, the Commission unanimously approved the licenses on motion of Mr. McCarthy, second of Mr. Parker.

Discussion & Action of Proposed Civil Penalties Against Uninsured Employers.

2C10/11-1585	Aesthetic Family Dental Care, P.L.C.
2C10/11-1579	Eat A Pita, L.L.C.
2C10/11-1794	The J.R. Tuttle Co.

Andrew Wade advised that with regard to the above listed employers, a compliance investigation confirmed that they were operating (or had operated) a business with employees, but without workers' compensation insurance. Giving consideration to the factors of A.R.S. §23-907(K), he recommended civil penalties of \$1,000.00 be assessed against employers #1585, 1579 and 1794. Following discussion, the Commission unanimously assessed civil penalties of \$1,000.00 against employers #1585, 1579 and 1794 on motion of Mr. Parker, second of Mr. McCarthy.

Discussion &/or Action regarding Budget and Operations of the Industrial Commission

Laura McGrory updated the Commission on cash flow and revenue projections stating that staff is still working on final numbers.

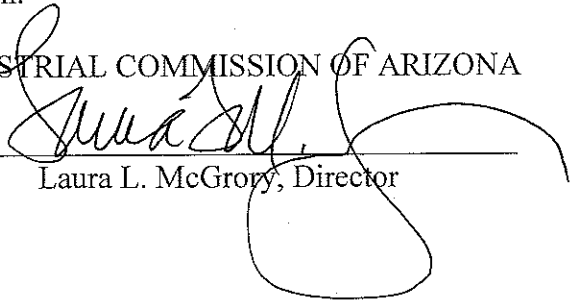
Announcements and Scheduling of Future Meetings

Ms. Hilton reminded the Commissioners that the next meeting is scheduled for Thursday, May 26<sup>th</sup> and will begin with the annual fee schedule public hearing.

There being no further business to come before the Commission and no public comment, Chairman Delfs adjourned the meeting at 1:45 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By

A large, stylized handwritten signature in black ink, appearing to read 'Laura L. McGrory', written over a horizontal line.

Laura L. McGrory, Director

ATTEST:

  
Teresa Hilton, Commission Secretary