

DEPARTMENT OF INDUSTRIAL RELATIONS

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March 13, 2003

VIA FACSIMILE & E-MAIL

The Honorable John M. Vittone
Chief Administrative Law Judge
U.S. Department of Labor
800 K Street, N.W., Ste. 400
Washington, D.C. 2001-8002
FAX: (202) 693-7365

RE: STATUS REPORT
U.S. Department of Labor, Office of Apprenticeship Training, Employer and
Labor Services v. California Department of Industrial Relations
DOCKET #20002 CCP #1

Dear Judge Vittone,

This is an action by the Department of Labor, Office of Apprenticeship Training, Employer and Labor Services ("OATELS") to "Derecognize" the State of California Department of Industrial Relations ("DIR"), Division of Apprenticeship Standards ("DAS") and the California Apprenticeship Council ("CAC") as a State Apprenticeship Agency for federal purposes under 29 C.F.R. 29. This action was initiated by OATELS on May 11, 2002, and DIR/CAC requested a hearing on June 7, 2002. The CAC is a multimember agency with separate judicial existence as an independent board, but lodged administratively within the Department. Some CAC members serve ex officio, however the majority serve by appointment by the Governor. The CAC is represented by the California Attorney General. The DAS is also within the DIR as a subordinate division and administers California Apprenticeship Law.

The parties have had prehearing telephone conferences, and some discovery has been initiated. There have been no motions, and no in person prehearing conference.

At the initiation of this matter, the California DIR submitted a request for documents June 7, 2002 with its request for hearing. There was a follow up request, which sought clarification of the scope of the proceeding. The DIR questioned whether OATELS contended that adopting regulations or statutes without prior approval from OATELS was itself a cause for Derecognition. The DIR request for documents with follow up was responded to on July 31, 2002. The request for clarification was responded to on September 9, 2002. The Administrative record was filed on November 8, 2002. Thereafter a First Set of Interrogatories was served on OATELS on November 22, 2002, and the response was served January 22, 2003.

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OATELS served a First Set of Interrogatories and Request for Documents on January 17, 2003 and an extension has been requested to March 18, 2003 although an additional extension may be necessary. DIR will be attempting to respond to the request for documents as well. DIR will attempt to provide such documents as are available.

DIR does not intend to engage in extensive further discovery. Some additional documents may be needed as a result of the Answers to Interrogatories served by OATELS. For example, we may seek informal discovery of the documents and timelines of instances cited for OATELS enforcement of a "prior approval rule." We also are assuming that the scope of issues for hearing will not be expanded.

Because the facts in this case concern actions that occurred in California, it would be most appropriate to set the hearing in this matter in San Francisco. In addition we are under out of state travel restrictions due to a significant budget problem, and it is unlikely in the current environment that a new budget will be adopted in July.

Very truly yours,

Fred D. Lonsdale
Counsel

cc: Julian Standen, Deputy Attorney General,
Department of Justice (Fax: 415-703-5480)
Stephen R. Jones, Counsel, Office of the Solicitor (Fax: 202-693-5732)