WORKERS' COMPENSATION APPEALS BOARD STATE OF CALIFORNIA

VINCIE MARTIN WOO, Applicant

vs.

FOOTPRINTS CHILDCARE CENTER, INC.; UNINSURED EMPLOYERS BENEFITS TRUST FUND, Defendants

Adjudication Number: ADJ8395859 Pomona District Office

OPINION AND DECISION AFTER RECONSIDERATION

We previously granted reconsideration¹ in order to study the factual and legal issues in this case. This is our Opinion and Decision After Reconsideration.

Natasha L. Wright seeks reconsideration in response to proceedings filed by the Director of Industrial Relations and contends that she was not a substantial shareholder of defendant Footprints Childcare Center, Inc., as defined by Labor Code section 3720.1.

Previously, on May 14, 2013, a workers' compensation administrative law judge (WCJ) issued an order joining several defendants, including Wright. On December 6, 2016, a WCJ issued an Order Approving a Compromise and Release (C&R) against several defendants, including Wright.

We received an answer to the petition from the Director on behalf of the Uninsured Employers' Benefits Trust Fund (UEBTF), which initially opposed the petition. Subsequently, UEBTF advised the Appeals Board that Wright had been joined in error. UEBTF submitted a "Certification of Cancellation of Lien Filed in Error" (Certification), dated October 12, 2017, and signed by then Director Christine Baker and stamped with an official seal. Pursuant to our authority, we take judicial notice of the Certification and conclude that the Order Approving

¹ Commissioner Deidra E. Lowe signed the Opinion and Order Granting Petition for Reconsideration dated December 4, 2017. As Commissioner Lowe is no longer a member of the Appeals Board, a new panel member has been substituted in her place.

against Wright was issued in error. (See Evid. Code, § 452(c) [allowing judicial notice of official acts by an executive department].)

"The appeals board has continuing jurisdiction over all its orders, decisions, and awards made and entered under the provisions of [Division 4] ... At any time, upon notice and after the opportunity to be heard is given to the parties in interest, the appeals board may rescind, alter, or amend any order, decision, or award, good cause appearing therefor." (Lab. Code, § 5803.²) Whether "good cause" exists to set aside a settlement depends upon the facts and circumstances of each case. "Good cause" includes mutual mistake of fact, duress, fraud, undue influence, and procedural irregularities. (Johnson v. Workmen's Comp. Appeals Bd. (1970) 2 Cal.3d 964, 975 [35 Cal.Comp.Cases 362]; Santa Maria Bonita School District v. Workers' Comp. Appeals Bd. (2002) 67 Cal.Comp.Cases 848, 850 (writ den.); City of Beverly Hills v. Workers' Comp. Appeals Bd. (Dowdle) (1997) 62 Cal.Comp.Cases 1691, 1692 (writ den.); Smith v. Workers' Comp. Appeals Bd. (1985) 168 Cal.App.3d 1160, 1170 [50 Cal.Comp.Cases 311].) To determine whether there is good cause to rescind the awards and stipulations, the circumstances surrounding their execution and approval must be assessed. (See Labor Code § 5702; County of Sacramento v. Workers' Comp. Appeals Bd. (Weatherall) (2000) 77 Cal.App.4th 1114, 1118-1121; Robinson v. Workers' Comp. Appeals Bd. (Robinson) (1987) 194 Cal.App.3d 784, 790-792 [52 Cal.Comp.Cases 419]; Huston v. Workers' Comp. Appeals Bd. (Huston) (1979) 95 Cal.App.3d 856, 864-867 [44 Cal.Comp.Cases 798].) Here, since Wright was joined and found liable by way of an admitted error, good cause exists to amend the Order Approving.

Thus, we affirm the Order Approving except that we amend it to strike Natasha L. Wright as a liable defendant.

² All future statutory references are to the Labor Code, unless otherwise specified.

For the foregoing reasons,

IT IS ORDERED as the Decision After Reconsideration of the Workers' Compensation Appeals Board that the Order Approving Compromise and Release issued by the WCJ on December 6, 2016 is **AFFIRMED** except that it is **AMENDED** to **STRIKE** Natasha L. Wright.

WORKERS' COMPENSATION APPEALS BOARD

/s/ JOSEPH V. CAPURRO, COMMISSIONER

I CONCUR,

/s/ KATHERINE A. ZALEWSKI, CHAIR

/s/ JOSÉ H. RAZO, COMMISSIONER

DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

November 16, 2022

SERVICE MADE ON THE ABOVE DATE ON THE PERSONS LISTED BELOW AT THEIR ADDRESSES SHOWN ON THE CURRENT OFFICIAL ADDRESS RECORD.

VINCIE MARTIN WOO NATASHA L. WRIGHT (2) LAW OFFICES OF ROBERT GRANT UNINSURED EMPLOYERS BENEFITS TRUST FUND OFFICE OF THE DIRECTOR-LEGAL UNIT (OAKLAND)

AS/ara

I certify that I affixed the official seal of the Workers' Compensation Appeals Board to this original decision on this date. *abs*

