WORKERS' COMPENSATION APPEALS BOARD STATE OF CALIFORNIA

LINDA SOHOLT, Applicant

VS.

CALIFORNIA CHARTER SCHOOLS, permissibly self-insured and administered by ATHENS ADMINISTRATORS ORANGE, *Defendant*

Adjudication Numbers: ADJ17787921 Van Nuys District Office

OPINION AND ORDER GRANTING PETITION FOR RECONSIDERATION AND DECISION AFTER RECONSIDERATION

Applicant's attorney seeks reconsideration of the July 8, 2025 Order Imposing Sanctions and Costs ("Sanctions Order"), wherein the workers' compensation administrative law judge ("WCJ") imposed sanctions of \$500.00 on applicant's attorney for filing a Declaration of Readiness to Proceed to an expedited hearing, rather than a priority conference.

We did not receive an Answer. We did receive a Report and Recommendation on Petition for Reconsideration (Report), recommending that reconsideration be denied.

We have considered the Petition and the Report. Based upon our review of the record, and for the reasons described below, we will grant the Petition for Reconsideration, rescind the Sanctions Order, and substitute a new order imposing sanctions of \$100.00.

PROCEDURAL BACKGROUND

Applicant filed an application for adjudication, alleging a specific injury to the nervous system sustained on January 17, 2023 while employed by defendant as a classified educator. The application for adjudication was later amended to add other body parts, and to convert the alleged injury to a cumulative trauma claim rather than a specific injury claim. The claim has been denied.

On May 7, 2025, applicant filed a Declaration of Readiness to Proceed to Expedited Hearing, stating: "Board's assistance requested to review denial later dated June 7, 2023. Defective denial letter issued without medical evidence or legal reasoning per LC and CCR.

Applicant seeking sanctions and penalties for unreasonable denial of benefits." The Declaration is signed by Carlos Ramirez, a hearing representative acting on behalf of applicant's attorney Tizoc Casillas.

The matter came on for hearing on June 2, 2025. Applicant was represented by Mr. Ramirez. The Minutes of Hearing point out that applicant's own filings demonstrated that the claim was denied, and therefore that an expedited hearing was procedurally improper. The WCJ therefore found that the expedited DOR was filed for an improper purpose, and gave notice that:

[A]bsent written objection and demonstration of good cause to the contrary filed and served with the undersigned WCJ on or before Monday, June 23, 2026 [sic], the undersigned WCJ will impose sanctions payable to the Workers' compensation Appeals Board in the amount of five hundred dollars (\$500.00) against Tizoc J. Perez-Casillas, State Bar #309981.

(Minutes of Hearing, 6/2/2025, at p. 2.)

Defendant was designated to serve the Minutes of Hearing pursuant to WCAB Rule 10629 (Cal. Code Regs., tit. 8, § 10629.) According to the Proof of Service, the Minutes of Hearing were not served until June 24, 2025.

On July 3, 2025, Mr. Ramirez filed a Response to Notice of Intention to Impose Sanctions, apologizing to the WCJ for his error in filing for an expedited hearing on a denied claim. (Response, at p. 1.) Mr. Ramirez explained that his "actions were motivated by genuine concern for my client's health, specifically her untreated high blood pressure," but that he understood that his "concern does not justify circumventing the proper procedures[.]" (*Ibid.*) He reiterated that he apologized for his error and was "committed to learning from this experience." (*Id.* at p. 2.)

On July 8, 2025, the Sanctions Order issued. The Order states: "There has been no response to the Notice of Intent to Issue Sanctions." It therefore ordered the payment of \$500.00 in sanctions against Tizoc J. Perez-Casillas, Mr. Ramirez's supervising attorney.

The instant Petition for Reconsideration followed.

¹ We note that the address provided for payment of sanctions in the Order is incorrect; the correct address for payment appears at the end of this decision.

DISCUSSION

I.

Former Labor Code section 5909 provided that a petition for reconsideration was deemed denied unless the Appeals Board acted on the petition within 60 days from the date of filing. (Lab. Code, § 5909.) Effective July 2, 2024, Labor Code section 5909 was amended to state in relevant part that:

- (a) A petition for reconsideration is deemed to have been denied by the appeals board unless it is acted upon within 60 days from the date a trial judge transmits a case to the appeals board.
- (b)(1) When a trial judge transmits a case to the appeals board, the trial judge shall provide notice to the parties of the case and the appeals board.
 - (2) For purposes of paragraph (1), service of the accompanying report, pursuant to subdivision (b) of Section 5900, shall constitute providing notice.

Under Labor Code section 5909(a), the Appeals Board must act on a petition for reconsideration within 60 days of transmission of the case to the Appeals Board. Transmission is reflected in Events in the Electronic Adjudication Management System (EAMS). Specifically, in Case Events, under <u>Event Description</u> is the phrase "Sent to Recon" and under <u>Additional Information</u> is the phrase "The case is sent to the Recon board."

Here, according to Events, the case was transmitted to the Appeals Board on August 4, 2025, and 60 days from the date of transmission is October 3, 2025. This decision is issued by or on October 3, 2025, so that we have timely acted on the petition as required by Labor Code section 5909(a).

Labor Code section 5909(b)(1) requires that the parties and the Appeals Board be provided with notice of transmission of the case. Transmission of the case to the Appeals Board in EAMS provides notice to the Appeals Board. Thus, the requirement in subdivision (1) ensures that the parties are notified of the accurate date for the commencement of the 60-day period for the Appeals Board to act on a petition. Labor Code section 5909(b)(2) provides that service of the Report and Recommendation shall be notice of transmission.

Here, according to the proof of service for the Report and Recommendation by the workers' compensation administrative law judge, the Report was served on August 4, 2025 and the case was

transmitted to the Appeals Board on August 4, 2025. Service of the Report and transmission of the case to the Appeals Board occurred on the same day. Thus, we conclude that the parties were provided with the notice of transmission required by Labor Code section 5909(b)(1) because service of the Report in compliance with Labor Code section 5909(b)(2) provided them with actual notice as to the commencement of the 60-day period on August 4, 2025.

II

Section 5813 permits the Workers' Compensation Appeals Board to issue sanctions of up to \$2,500.00, for acts which result from "... bad-faith actions or tactics that are frivolous or solely intended to cause unnecessary delay." (§ 5813.) WCAB Rule 10421(b) states in relevant part that:

Bad faith actions or tactics that are frivolous or solely intended to cause unnecessary delay include actions or tactics that result from a willful failure to comply with a statutory or regulatory obligation, that result from a willful intent to disrupt or delay the proceedings of the Workers' Compensation Appeals Board, or that are done for an improper motive or are indisputably without merit.

(Cal. Code Regs., tit. 8, § 10421(b).)

WCAB Rule 10832 authorizes a workers' compensation judge to issue a notice of intention for the purpose of sanctioning a party, and allows for designated service in accordance with WCAB Rule 10629. (Cal. Code Regs., tit. 8, § 10832(a)(3), (b).) WCAB Rule 10629 allows the WCJ to designate service of an order – including a notice of intention to impose sanctions – on a party or their attorney, with service to occur within 10 days of the date that designated service is ordered. (Cal. Code Regs., tit. 8, § 10629(a), (d).)

WCAB Rule 10782 provides for expedited hearings in accepted cases when the issues include medical treatment, or temporary disability for a disputed body part or parts. (Cal. Code Regs., tit. 8, § 10782.) WCAB Rule 10785 allows for the setting of priority conferences when the employee is represented and employment and/or injury arising out of and in the course of employment ("AOE/COE") are disputed. (Cal. Code Regs., tit. 8, § 10785.) WCAB Rule 10758 allows the WCJ discretion to re-designate any hearing except a trial as a status conference. (Cal. Code Regs., tit. 8, § 10758.)

Initially, we note that the WCJ chose not to issue a separate Notice of Intention, but rather to include the Notice of Intention in the Minutes of Hearing, with service designated to be effectuated by defendant. Although designated service is allowed under WCAB Rule 10832, this case aptly illustrates the issues that can occur when a Notice of Intention is served via designated

service, and why the better approach is for the WCAB to serve a separate Notice of Intention itself, independent of the Minutes of Hearing.

Specifically, here the language included in the Minutes of Hearing appears to include a clerical error, in that it requires a response by "June 23, 2026," (emphasis added), when the WCJ presumably intended to require a response by June 23, 2025 instead. Moreover, despite WCAB Rule 10629 requiring designated service within 10 days, here defendant failed to serve the Minutes of Hearing until June 24, 2025 – one day *after* what the WCJ intended to be the deadline for a response.

As a result, applicant's hearing representative filed a responsive pleading on July 3, 2025 – in other words, timely per the actual wording of the Notice of Intention, but untimely per the WCJ's apparent intent to require a response by June 23, 2025. The WCJ therefore proceeded to rule on the Notice of Intention as if no response had been filed, and the Sanctions Order inaccurately recites that no objection was received. Had the Notice of Intention been via a separate order and served by the WCAB, it seems likely this unfortunate series of misunderstandings could have been avoided, as the WCJ would likely have noticed the typo, and service would have been timely, rather than untimely.²

These general observations aside, here, per the actual language of the Notice of Intention, applicant's objection *was* timely, and should have been considered. Rather than belabor the process by remanding the issue to the WCJ for consideration of the objection, we think the better approach here is to simply consider the merits of the objection ourselves, and adjust the Sanctions Order as appropriate.

Having reviewed applicant's Response, we are satisfied that applicant's hearing representative has learned his lesson and will not repeat his mistake in the future, and we take at face value his expression of contrition and determination to learn from the mistake. We are also satisfied that applicant's attorney will exercise greater supervision in the future. Accordingly, we will reduce the sanctions imposed to \$100.00, an amount that we believe adequately represents the degree of culpability here.³

² We recognize that this approach involves greater initial expenditure of judicial resources, and we are cognizant of the caseload WCJs must juggle. However, as this case illustrates, such an approach may actually forestall greater expenditure of judicial resources by avoiding the need for future proceedings.

³ We recognize that the Report acknowledges the Response, and expresses doubt as to its sufficiency. However, we are persuaded that sanctions of \$100.00 will be sufficient to address the WCJ's concerns.

For the foregoing reasons,

IT IS ORDERED that the Petition for Reconsideration of the July 8, 2025 Order Imposing Sanctions and Costs is **GRANTED**.

IT IS FURTHER ORDERED, as the Decision After Removal of the Workers' Compensation Appeals Board, that July 8, 2025 Order Imposing Sanctions and Costs is **RESCINDED**, and that the following order is **SUBSTITUTED**:

ORDER IMPOSING SANCTIONS

Pursuant to Labor Code section 5813 and WCAB Rule 10421 (Cal. Code Regs., tit. 8, § 10421) applicant's attorney Tizoc J. Perez-Casillas, State Bar number 309981, is ordered to pay sanctions of \$100.00, payable to the General Fund.

Payment shall be made within twenty (20) days (plus five (5) additional days for mailing (Cal. Code Regs., tit. 8, §§ 10605(a)(1), 10600) after service of this Order.

Payment shall be made by check payable to the Workers' Compensation Appeals Board, Tax I.D. 94–3160882, for transmission to the General Fund and shall reference Linda Soholt v. California Charter Schools, ADJ17787921.

Payment shall be sent to: Workers Compensation Appeals Board, Office of the Commissioners, 455 Golden Gate Avenue, 9th Floor, San Francisco, CA 94102, ATTENTION: Julie Podbereski.

WORKERS' COMPENSATION APPEALS BOARD

/s/ CRAIG L. SNELLINGS, COMMISSIONER

I CONCUR,

/s/ JOSÉ H. RAZO, COMMISSIONER



/s/ KATHERINE A. ZALEWSKI, CHAIR

DATED AND FILED AT SAN FRANCISCO, CALIFORNIA OCTOBER 3, 2025

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

LINDA SOHOLT GUERRA CASILLAS LOS ANGELES DOMINGO ELIAS BREA

AW/kl

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