

**WORKERS' COMPENSATION APPEALS BOARD
STATE OF CALIFORNIA**

JESSICA DANZEY, *Applicant*

vs.

**ARAVO SOLUTIONS, INC.; SENTINEL INSURANCE COMPANY, LTD.,
c/o THE HARTFORD, *Defendants***

**Adjudication Number: ADJ19483679
San Francisco District Office**

**OPINION AND ORDER
DENYING PETITION FOR
RECONSIDERATION**

Applicant seeks reconsideration of the Finding of Fact issued on February 9, 2026, wherein the workers' compensation administrative law judge ("WCJ") found no statutory subject matter jurisdiction over applicant's claim. Applicant asserts the WCJ erred by failing to take into account the connections between the State of California and applicant's claim, and further asserts that defendant waived the right to contest subject matter jurisdiction by failing to timely raise it.

We received an Answer. We also received a Report and Recommendation on Petition for Reconsideration from the WCJ, recommending that reconsideration be denied.

We have reviewed the Petition, the Answer, and the Report, as well as the record. For the reasons discussed below, we will deny the petition for reconsideration.

FACTUAL BACKGROUND

On July 1, 2024, applicant filed an Application for Adjudication, alleging a cumulative trauma injury to multiple body parts sustained from January 30, 2022 to March 5, 2024, while employed by defendant as a proposal specialist. The Application for Adjudication alleges that this cumulative trauma injury occurred at a San Francisco, California address. (See Application for Adjudication, at p. 9.)

On August 5, 2024, defendant filed an Answer to Application for Adjudication of Claim, stating, as relevant here, that defendant was raising the following affirmative defenses: "All

available under Labor Code and case law including but not limited to posttermination [*sic*] defense and lack of jurisdiction.” (Answer to Application for Adjudication of Claim, at p. 9.)

Although applicant initially filed in Van Nuys, defendant petitioned to change venue to San Francisco because “the Application shows the employer is located in San Francisco, so that is the county where the last alleged injurious exposure occurred.” (Petition for Change of Venue, at p. 4.) Defendant’s petition was granted, and venue was moved to the San Francisco District Office.

The matter proceeded to trial, initially on July 9, 2025, with additional trial dates on September 8, 2025 and November 13, 2025. The sole issue listed for trial was statutory subject matter jurisdiction over applicant’s claim pursuant to Labor Code¹ sections 3600.5 and 5305. (Minutes of Hearing / Summary of Evidence (“MOH/SOE”), 6/19/2025, at p. 2.) The parties stipulated that applicant signed the employment contract in Florida, that applicant resides in Florida, and that applicant did not ever physically work in California. (*Ibid.*)

Exhibits were admitted without objection. (*Id.* at pp. 3–5.) Exhibit 4, Applicant’s employment contract, dated January 12, 2022, states in relevant part: “**GOVERNING LAW.** This Agreement will be governed by the laws of the State of California.” (Ex. 4, at ¶ 11.)

Britt Guenther testified that she had been applicant’s direct supervisor and controlled her day-to-day tasks. (MOH/SOE, 9/8/2025, at p. 2.)²

David Silva testified that he was head of human resources at Aravo while applicant was employed there. (*Id.* at p. 3.)

Daniel Gibson testified that he “voted” to hire applicant, but also testified that he handled one component of the hiring process, the interview, and that was “not responsible for hiring.” (*Id.* at p. 3.) Gibson testified that he lives in California, and that Aravo’s headquarters are in California. (*Ibid.*)

Applicant testified that when she was hired on January 31, 2022, the offer was made by Gibson. (*Id.* at p. 4.) Applicant also testified that Aravo is “located” in California, but that applicant worked from Florida. (*Ibid.*) She testified that she initially reported to Gibson, then to Guenther, both of whom were based in California. (*Ibid.*) On cross-examination, applicant clarified that although Gibson told her an offer would be made, he also told her that it would be a job recruiter

¹ Further references are to the Labor Code unless otherwise specified.

² The summary of witness testimony provided in this decision focus only on facts relevant to the question presented here, namely statutory subject matter jurisdiction, omitting any testimony which does not touch on that question.

who would actually reach out to her. (*Ibid.*) She was residing in Florida when she received the offer. (*Ibid.*)

Applicant never worked in California and never lived in California; she always lived in Florida and worked from there. (*Ibid.*) Her email had a signature block that included an address in Irving, Texas. (*Id.* at p. 5.) Her paychecks had a California address. (*Ibid.*) She did not know whether Aravo had a Florida office. (*Ibid.*)

Christina Pirkle testified that she was the chief financial officer for Aravo. (*Ibid.*) Aravo is incorporated in the state of California and is headquartered in San Francisco, although the primary business is conducted in Texas, where the majority of meetings occur. (*Ibid.*) The hiring manager who had the authority to offer applicant the job was Dave Rusher, located in Texas. (*Id.* at p. 6.) Silva, the head of human resources who testified earlier, was based in Texas at the time. (*Id.* at p. 6.) Human resources and payroll are located in Texas. (*Ibid.*) Rusher was applicant's initial supervisor, not Gibson; applicant was later supervised by Guenther. (*Ibid.*)

Recalled as a witness by the defense, Gibson confirmed that he did not directly supervise applicant. (*Ibid.*) He did interview her, but it wasn't within his authority to make a job offer. (*Id.* at p. 7.) During the interview, he made clear that the position was fully remote. (*Ibid.*)

Guenther, recalled by defendant, also confirmed that Gibson had never been applicant's supervisor at any time. (*Id.* at p. 7.) Applicant was not required to align her schedule to Pacific time; most meetings were held in Texas. (*Ibid.*)

Rusher, recalled by defendant, testified that he had hiring authority for applicant, but that he "delegated that authority to Gibson" to extend the offer. (MOH/SOE, 11/13/2025, at p. 2.) Rusher has always worked out of Texas. (*Ibid.*) Rusher supervised applicant for only a short amount of time, after which time she was supervised by Guenther. (*Ibid.*) Guenther is based in California. (*Ibid.*)

Silva, recalled by defendant, stated that he was not involved in hiring applicant. (*Id.* at p. 3.) Most of Aravo's executives work in Texas; the founder lives in Spain. (*Ibid.*) He described Texas as the "nerve center" of the company. (*Ibid.*) They have physical offices in Texas and Oregon and a small remote office in the United Kingdom. (*Ibid.*) The employee applicant accused of harassing her was based in Texas at all times. (*Ibid.*) Aravo's chief technology officer works from San Francisco. (*Ibid.*)

On February 9, 2026, the WCJ issued his Finding of Fact, determining that “California does not have subject matter jurisdiction” over applicant’s claim. (Finding of Fact, at p. 2.) The Opinion on Decision, issued concurrently, explains that the WCJ’s decision was based upon a finding that applicant was hired in Florida, worked in Florida, and sustained her alleged injuries there. (Opinion on Decision, at pp. 5–6.) The WCJ noted that the employment contract, while referencing the laws of California, did not reference workers’ compensation law. (*Id.* at pp. 5, 7.)

The instant Petition for Reconsideration followed.

DISCUSSION

I.

Former Labor Code³ 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. (§ 5909.) Effective July 2, 2024, 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 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 Event Description is the phrase “Sent to Recon” and under Additional Information is the phrase “The case is sent to the Recon board.”

Here, according to Events, the case was transmitted to the Appeals Board on March 16, 2026, and 60 days from the date of transmission is May 15, 2026. This decision is issued by or on May 15, 2016, so that we have timely acted on the petition as required by section 5909(a).

³ Further references are to the Labor Code unless otherwise stated.

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. 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 March 16, 2026, and the case was transmitted to the Appeals Board on March 16, 2026. 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 section 5909(b)(1) because service of the Report in compliance with section 5909(b)(2) provided them with actual notice as to the commencement of the 60-day period on March 16, 2026.

II.

In general, the Workers' Compensation Appeals Board ("WCAB") may assert its subject matter jurisdiction in a given workers' compensation injury claim when the evidence establishes that an employment related injury, which is the subject matter, has a significant connection or nexus to the state of California. (See §§ 5300, 5301; *King, supra*, 270 F.2d at 360; *Federal Insurance Co. v. Workers' Comp. Appeals Bd. (Johnson)* (2013) 221 Cal.App.4th 1116, 1128.) Whether there is a significant connection or nexus to the State of California is best described as an issue of due process, though it has also been referred to as a question of subject matter jurisdiction. (*New York Knickerbockers v. Workers' Comp. Appeals Bd. (Macklin)* (2015) 240 Cal.App.4th 1229, 1238; *Johnson, supra*, 221 Cal.App.4th at 1128.)

Section 5300 provides a general grant of jurisdiction over claims for compensation for work-related injuries occurring in the state of California. In addition, the WCAB can also assert subject matter jurisdiction over injuries occurring outside this state in certain circumstances. Section 3600.5, subdivision (a) states: "If an employee who has been hired or is regularly working in the state receives personal injury by accident arising out of and in the course of employment outside of this state, he or she, or his or her dependents, in the case of his or her death, shall be entitled to compensation according to the law of this state." (§ 3600.5(a).) Similarly, section 5305

states: “The Division of Workers’ Compensation, including the administrative director, and the appeals board have jurisdiction over all controversies arising out of injuries suffered outside the territorial limits of this state in those cases where the injured employee is a resident of this state at the time of the injury and the contract of hire was made in this state.” (§ 5305.)⁴

The WCAB is solely a creation of the Legislature, and thus its fundamental subject matter jurisdiction is limited by statute. Article XVI, section 4, of the California Constitution provides that the Legislature “is ... expressly vested with plenary power, unlimited by any provision of this Constitution, to create, and enforce a complete system of workers’ compensation, by appropriate legislation.” (Cal. Const., art. XIV, § 4.) Thus, in the absence of a statute affirmatively conferring subject matter jurisdiction over a claim to the WCAB, we cannot exercise jurisdiction over the claim. (*Tripplett v. Workers’ Comp. Appeals Bd.* (2018) 25 Cal.App.5th 556, 562.) The requirement to demonstrate statutory subject matter jurisdiction is in addition to the significant connection or nexus to the state required by due process to support the exercise of jurisdiction under the *Johnson* line of cases referenced above. (See *Johnson, supra*, 221 Cal.App.4th at 1128.)

Initially, we note that the parties and the WCJ devoted considerable analysis to the paragraph of the employment contract that states: “This Agreement will be governed by the laws of the State of California.” (Ex. 4, at ¶ 11.) However, it is well-established law that parties cannot create subject matter jurisdiction via contract where it does not otherwise exist. (*Rockefeller Technology Investments (Asia) VII v. Changzhou SinoType Technology Co., Ltd.* (2020) 9 Cal.5th 125, 138–39.) Accordingly, even if the employment contract clearly and unambiguously stated that any dispute over workers’ compensation was to be filed in this state, such a clause could not confer subject matter jurisdiction over the claim unless there was an independent, statutory basis for the exercise of that jurisdiction.

Applicant also argues that defendant waived the right to challenge subject matter jurisdiction by failing to timely raise the issue, that defendant should be deemed to have admitted subject matter jurisdiction by filing the petition to change venue to the San Francisco office on the basis that that is where the alleged injuries occurred, and that defendant should be judicially estopped from contesting subject matter jurisdiction here because it did not contest subject matter jurisdiction in a civil case filed in Superior Court. None of these contentions have merit.

⁴ The residency requirement of section 5305 has long been recognized as unconstitutional. (See *Bowen v. Workers’ Comp. Appeals Bd.* (1999) 73 Cal.App.4th 15, 20, fn. 6 [64 Cal.Comp.Cases 745].)

First, it is black-letter law that subject matter jurisdiction cannot be waived. (*Tripplett, supra*, 25 Cal.App.5th at 562, citing *Sampsell v. Superior Court* (1948) 32 Cal.2d 763, 773.) Moreover, even if subject matter jurisdiction could be waived, contrary to applicant's representations, defendant specifically raised the issue of jurisdiction in its Answer to the Application for Adjudication. (Answer to Application for Adjudication, at p. 9.)

Second, the petition for change of venue was based upon representations by *applicant* in the Application for Adjudication that the injury occurred in San Francisco, with the petition for change of venue simply referencing those allegations. (See Application for Adjudication of Claim at p. 9; Petition for Change of Venue, at p. 4.) By filing the petition on the basis that injury was *alleged* to have occurred in San Francisco, defendant no more "admitted" to subject matter jurisdiction than it "admitted" to the fact of injury.

Third, the fact that defendant has not contested subject matter jurisdiction in a civil matter filed in Superior Court has no relevance to whether the WCAB has subject matter jurisdiction over her workers' compensation claim. The Superior Court is not the WCAB, and a civil claim is not a workers' compensation claim. Different standards govern subject matter jurisdiction in each court, so the fact that subject matter jurisdiction exists in one California forum does not preclude the possibility that it may not exist in another.

The operative question in this matter is whether there is any statutory basis for subject matter jurisdiction. The first and most obvious basis for such jurisdiction is injury in California – a basis so fundamental it falls under the general grant of authorization found in section 5300. Here, it is undisputed that applicant was a remote employee based in Florida, and never visited California as part of her employment. While acknowledging this fact, applicant makes the novel argument that because applicant's claim involves allegations of verbal abuse and harassment, and because that verbal abuse and harassment allegedly originated from employees based in California, we should deem the locus of the injuries to be in California, rather than Florida.

Although undeniably creative, applicant does not cite to any authority in support of this argument, nor does it comport with either the standard use of the English language or the standard definition of injury. If someone in California is injured by a firework discharged from across state lines in Nevada, we do not think there would be any credible argument that the individual was injured in Nevada rather than in California. For the same reason, we reject the argument that

applicant was injured in California, and therefore the argument for general statutory subject matter jurisdiction under section 5300.⁵ Applicant’s alleged injury occurred in Florida, not in California.

By the same token, the facts that applicant’s supervisor was based in California and that applicant was a remote employee do not create subject matter jurisdiction over the claim. Although the Legislature could choose to provide for the exercise of subject matter jurisdiction in such circumstances, it has not done so, and we are not empowered to create subject matter jurisdiction ourselves in the absence of statutory authority.

We turn next to the grants of jurisdiction found in sections 3600.5, subdivision (a) and 5305 – hire and/or regular employment in California. It is evident from the record that applicant was not regularly employed in California, nor do we understand applicant to argue otherwise.

As to the location of applicant’s hire, the parties stipulated that applicant signed the employment contract in Florida. (MOH/SOE, 6/19/2025, at p. 2.) Applicant’s testimony at trial makes clear that Aravo offered her employment, and that she accepted that offer of employment while in Florida, by signing the contract. (MOH/SOE, 9/8/2025, at p. 4.) Under binding appellate precedent, the location of hire for the purposes of sections 3600.5(a) and 5305 is the location the offeree accepts the offer of employment. (See *Bowen v. Workers’ Comp. Appeals Bd.* (1999) 73 Cal.App.4th 15, 21-22; *Tripplett v. Workers’ Comp. Appeals Bd.*, *supra*, 25 Cal.App.5th at 565–66.)

Although not raised by the parties, a recent appellate decision, *Atlanta Falcons v. Workers’ Comp. Appeals Bd.* (2025) (“*Gandy*”) 114 Cal.App.5th 1268, suggested that it would be appropriate to deem a professional athlete employed by a California-based team to be hired in California simply based on the identity of the employer as a California-based team, even if the offer was in fact accepted elsewhere. (*Id.* at p. 1280.) Assuming for purposes of argument that it would be appropriate to extend this reasoning beyond California-based employers of professional athletes, the facts here do not clearly show that Aravo is a California-based employer in a comparable sense to the way that a California-based professional sports team is a California-based employer. Instead, the testimony was inconclusive at best, indicating that while Aravo is incorporated and “headquartered” in California, its primary place of business and “nerve center”

⁵ We also note that the facts do not appear to fully support this theory. According to Silva, the primary individual applicant identified as the source of the verbal abuse and harassment was based in Texas, not California. (MOH/SOE 11/13/2025, at p. 3.)

are in Texas, where most meetings occur. (See MOH/SOE 9/8/2025 at pp. 3–5; MOH/SOE 11/13/2025 at pp. 2–3.) According to one witness, the founder lives in Spain, and most of the executives work out of Texas. (*Id.* at p. 3.) There are physical offices in Texas and Oregon, and a “small remote office in the United Kingdom.” (*Ibid.*) Whatever arguable application *Gandy* might have to a non-athlete case involving an employer that is clearly and unambiguously based in California, this does not appear to be that case.

Based upon the above, we conclude that applicant was hired in Florida, regularly employed in Florida, and that the alleged injuries occurred in Florida. We therefore agree with the WCJ’s determination that applicant has not shown any statutory basis for the exercise of subject matter jurisdiction over her claim. Accordingly, we will deny the Petition for Reconsideration.

For the foregoing reasons,

IT IS ORDERED that the Petition for Reconsideration of the Finding of Fact issued on February 9, 2026 is **DENIED**.

WORKERS' COMPENSATION APPEALS BOARD

/s/ JOSEPH V. CAPURRO, COMMISSIONER



I CONCUR,

/s/ ANNE SCHMITZ, DEPUTY COMMISSIONER

/s/ PAUL F. KELLY, COMMISSIONER

DATED AND FILED AT SAN FRANCISCO, CALIFORNIA

MAY 15, 2026

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

**JESSICA DANZEY
YOUSEFI LAW GROUP, APC
WAI, CONNOR & HAMIDZADEH, LLP**

AW/kl

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