

**DEPARTMENT OF INDUSTRIAL RELATIONS**

OFFICE OF THE DIRECTOR - LEGAL UNIT  
455 Golden Gate Avenue  
San Francisco, CA 94102



ADDRESS REPLY TO:  
Office of the Director - Legal Unit  
P.O. Box 420603  
San Francisco, CA 94142  
(415) 703-4240  
FAX No.: (415) 703-4277

June 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,

During the prehearing telephone conference in this matter on April 4, 2003, you asked that status reports be submitted on June 15, 2003 and August 15, 2003. 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. At the prehearing conference in April, it was agreed that OATELS would serve a separate derecognition notice on the CAC and that the CAC would request a hearing to be consolidated with the above matter. The CAC was so served and requested a hearing on April 25, 2003.

The parties have discussed OATELS interrogatories and request for production of documents. Some several boxes of documents have been produced and were copied by OATELS in mid-April. DIR has agreed to provide access to additional documents and has assembled additional documents for production and has a number of audio tapes which are also available for copying.

DIR still does not intend to engage in extensive further discovery. As was noted previously, 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 and will be limited to the two issues most recently set out in the OATELS letter of April 8, 2003 to the CAC.

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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)