

MINUTES OF MEETING  
OF THE INDUSTRIAL COMMISSION OF ARIZONA  
Held at 800 West Washington Street  
Phoenix, Arizona 85007  
Thursday, January 30, 2025 – 1:00 p.m.

Present:	Joseph M. Hennelly, Jr.	Vice Chair
	D. Alan Everett	Commissioner
	Maria Cecilia Valdez	Commissioner
	Orion J. Godfrey	Commissioner
	Gaetano J. Testini	Director
	Afshan Peimani	Chief Legal Counsel
	Lisa Padgett	Deputy Director
	Charles Carpenter	Legislative Affairs Chief/Public Information Officer
	Melissa Spurgeon	Labor Director
	Christina Sanchez	Labor Supervisor
	Jason Polasko	Labor Investigator
	Kimberly Gooby	Labor Investigator
	Sophia Cox	Assistant Chief Legal Counsel
	Andy Campbell	Chief Administrative Law Judge
	Paula Eaton	Administrative Law Judge
	Anna Maria Stonerock	ADOSH Compliance
	Rosanne Oropeza	Human Resources
	Yvonne Borunda	Legal Admin
	Kara Dimas	Commission Secretary

Vice Chair Hennelly convened the meeting at 1:00 p.m. In attendance, confirmed by roll call were James Godfrey (self); Matthew Powell, Marilyn Powell and Madeline Powell (self).

Approval of Minutes of January 23, 2025 Regular Meeting Minutes.

Commissioner Valdez moved to approve the Minutes of the January 23, 2025 regular session meeting and Commissioner Everett seconded the motion. Vice Chair Hennelly, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

Discussion and Action regarding Proposed Retaliation Penalty.

1. RT-2425-0065 Blue Mountain Fence LLC

Ms. Spurgeon summarized the Labor Department's investigation into the Earned Paid Sick Time (EPST) Retaliation claim. Ms. Spurgeon recommended that the Commission approve issuance of a Penalty in the amount of \$12,750.00 for the verbal warning violation, \$18,886.60 for the lost wages violation of A.R.S. § 23-364 and in addition a \$250.00 civil penalty pursuant to A.R.S. § 23-364(F).

Vice Chair Hennelly asked if the Commissioners had any questions.

Commissioner Godfrey moved to approve issuance of a Penalty for Retaliation in the amount of \$31,636.60 and a \$250.00 civil penalty to Blue Mountain Fence LLC. Commissioner Everett seconded the motion Vice Chair Hennelly, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

Discussion and Action of Resolution Appointing Administrative Law Judge.

Gregory Hanchett

Judge Campbell commented that Judge Hanchett has started and the division is pleased with his work and appreciate his appointment.

Vice Chair Hennelly commented he knows Judge Hanchett from experience and glad to have him back.

Commissioner Everett moved to appoint Gregory Hanchett as Administrative Law Judge and Commissioner Godfrey seconded the motion. Vice Chair Hennelly, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

Discussion, Action, and Potential Resolution regarding Proposed Rulemaking to Amend Title 20, Chapter 5, Article 1, Pursuant to A.R.S. § 23-921(B), the Industrial Commission of Arizona (“ICA”) is tasked with creating rules and regulations which are reasonably required in the performance of its duties, including but not limited to rules of practice and procedure in connection with hearing and review proceedings. The ICA is also tasked with creating rules pursuant to A.R.S. § 23-930(E) regarding unfair claim processing practices and bad faith; pursuant to A.R.S. § 23-1044(G) to adopt a schedule for rating loss of earning capacity and reasonable and proper rules to carry out this section; pursuant to A.R.S. § 23-934 prescribing rules for a workers’ compensation fraud unit; and pursuant to A.R.S. 23-1069 for attorney fee petitions.

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Ms. Peimani introduced Assistant Chief Counsel Sophia Cox who has been working on this long process and thought she would be best to answer any questions.

Ms. Cox noted this rulemaking has been a long time coming to reorganize, modernize and update the rules for Workers’ Compensation. It will reorganize Article 1 and break them out by division. Article 1 will focus on the Claims Division type rules; Article 2 will focus on the administrative procedure and hearing process; Article 3 will focus on rules that apply to the Commission; and Article 7 will be rules specific to the Legal Division.

Vice Chair Hennelly asked if the Commissioner had any question on the package to start the rulemaking process and obtain approval from the Governor’s office to proceed. Vice Chair Hennelly thanked Ms. Cox for her hard work on this project.

Commissioner Valdez moved to accept the recommendation of staff for Article 1 and authorize the Legal Division to proceed with the proposed rulemaking by filing a request with the Governor’s Office for permission to proceed with rulemaking, and upon receiving permission to file a Notice of Proposed Rulemaking and Notice of Docket Opening with the Secretary of State. Commissioner Godfrey seconded the motion. Vice Chair Hennelly, Commissioner Everett, Commissioner Valdez and Commissioner Godfrey voted in favor of the motion. The motion passed.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Vice Chair Hennelly noted there was an important retirement after 29 years and read the Retirement Resolution and presented it to Judge Matthew Powell.

Mr. Testini read the certificate from the Secretary of State Adrian Fontes and presented a state flag to Judge Powell.

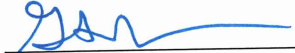
Ms. Dimas confirmed Commission meeting dates through March 2025.

Public Comment.

There was no public comment.

The meeting was adjourned at 1:23 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By   
Gaetano J. Testini, Director

ATTEST:

  
Kara Dimas, Commission Secretary