

MINUTES OF MEETING
OF THE INDUSTRIAL COMMISSION OF ARIZONA
Held at Prescott Valley Library
The Crystal Room
Prescott Valley, Arizona 86314
Thursday, September 25, 2025 – 1:00 p.m.

Present: Dennis P. Kavanaugh Chairman
Joseph M. Hennelly, Jr. Vice Chair
D. Alan Everett Commissioner
Orion J. Godfrey Commissioner

Gaetano J. Testini Director
Afshan Peimani Chief Legal Counsel
Lisa Padgett Deputy Director
Brandt Smith Deputy Director
Charles Carpenter Legislative Affairs Chief/Public Information Officer
Renee Pastor Self-Insurance (Telephonic)
Bryce Rucker ADOSH Deputy Director
Bethany Votta ADOSH Admin
Andy Campbell Chief Administrative Law Judge
Valerie Ruiz MRO Manager (Telephonic)
Keta Coker MRO Admin (Telephonic)
Yvonne Borunda Acting Commission Secretary

Chairman Kavanaugh convened the meeting at 1:09 p.m. In attendance, on the telephone, confirmed by roll call were Stephanie Hefner (Snell and Wilmer); Briana Prone and Stacy King (Phoenix Windows & Doors); and Isabel Lopez Soto, next of kin of Nicolas Lopez Soto (C&J Builders).

Approval of Minutes of September 11, 2025 Regular Meeting Minutes.

Commissioner Everett moved to approve the Minutes of the September 11, 2025 regular session meeting and Vice Chair Hennelly seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Godfrey voted in favor of the motion. The motion passed.

Consent Agenda:

All items following under this agenda item are consent matters and will be considered by a single motion with no discussion unless a Commissioner asks to remove an item on the consent agenda to be discussed and voted on separately. The Commission may move into Executive Session under A.R.S. § 38-431.03(A)(2) to discuss records exempt by law from public inspection. Legal action involving a final vote or decision shall not be taken in Executive Session. If such action is required, then it will be taken in General Session.

a. Approval of Proposed Civil Penalties Against Uninsured Employers.

1. 2CNP24/25-3614 Freeway PDM LLC, dba Freeway Towing & Storage

SERIOUS – Citation 1 - Item 2 –

- a) Middle Bay North Isle: Three employees were unloading an approximately 3120 lbs. bundle of twelve vertically positioned 6 3/4 foot x 7 1/2 foot windows, each weighing approximately 260 lbs., that were not secured to prevent sliding or tipping. 29 CFR 1910.176(b) *Per ADOSH Director as causal factor

Div. Proposal - \$11,823.00	Formula Amt. - \$11,823.00
TOTAL PENALTY - \$16,788.00	TOTAL FORMULA AMT. - \$36,648.00

Mr. Rucker discussed ADOSH's inspection, summarized the citation and proposed penalty.

Chairman Kavanaugh checked if the Commissioners had any question and noted he did have a request to speak from Briana Prone.

Ms. Prone addressed the Commission. Ms. Prone discussed that their focus was on looking into the workers' compensation insurance and insurance for the family. Ms. Prone learned that they should have reported to OSHA themselves. They were solely focused on making sure that the family was taken care of and expressed that the employee was a long-time employee and valued by the company. The company has completed training and implemented new procedures.

Commissioner Godfrey moved to approve the citation and proposed penalties as presented and Commissioner Everett seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Godfrey voted in favor of the motion. The motion passed.

Discussion and/or Action pursuant to A.R.S. §23-363(B) to Adopt the Minimum Wage for Calendar Year 2026.

Ms. Peimani noted the Commissioners were provided a memo explaining that pursuant to A.R.S. §23-364(A) the Commission enforces the Fair Wages and Healthy Families Act and pursuant to A.R.S. §23-363(B), beginning January 2021 the minimum wage increases based on the increase in the cost of living which is measured from August to August of the consumer price index (all urban consumers, U.S. city average for all items), rounded to the nearest multiple of five cents. Ms. Peimani explained that the Consumer Price Index as of August 2025 showed a 2.9% cost of living increase, compared to August 2024. She explained that this results in an increase, rounded to the nearest multiple of five cents of \$.45 for 2026 - from \$14.70 per hour to \$15.15 per hour. In accordance with the requirements of the statute, she stated that the Legal Department recommends the Commission approve the rate of \$15.15 per hour effective January 1, 2026, as the Arizona minimum wage.

Chairman Kavanaugh and Ms. Peimani discussed that Arizona cities may adopt a higher minimum wage.

Vice Chair Hennelly moved to approve the Arizona minimum wage of \$15.15 for calendar year 2026. Commissioner Everett seconded the motion. Chairman Kavanaugh, Vice Chair Hennelly, Commissioner Everett and Commissioner Godfrey voted in favor of the motion. The motion passed.

Presentation and discussion regarding the operations of the Industrial Commission of Arizona's Administrative Law Judge Division.

Chairman Kavanaugh stated that the agency will doing a series of presentation by every division on activities they are working on.

Judge Campbell presented the Administrative Law Judge Division.

Chairman Kavanaugh and Judge Campbell discussed how the cases are assigned to the Judges and the turnaround time of cases.

Commissioner Godfrey and Judge Campbell discussed the presumptive claims for cancer, and cardiac under the substantive policy and how they are handled internally.

Commissioner Everett and Judge Campbell discussed the location of the hearing rooms and the future location of the hearing rooms.

Chairman Kavanaugh commented on the divisions providing information on what they do is very helpful for the Commissioners.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Testini updated the Commissioners that the fourth quarter meeting will be on December 11, 2025, in Lake Havasu City. The VPP tour will be at Nucor Steel.

Ms. Borunda confirmed Commission meeting dates through November 2025.


Public Comment.

There was no public comment.

The meeting was adjourned at 2:29 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By



Gaetano J. Testini, Director

ATTEST:



Kara Dimas, Commission Secretary