

MINUTES OF MEETING  
OF THE INDUSTRIAL COMMISSION OF ARIZONA  
Held at 800 West Washington Street  
Conference Room 308  
Phoenix, Arizona 85007  
Thursday, June 22, 2017 – 2:00 p.m.

Present:	Dale L. Schultz	Chairman
	Robin S. Orchard	Commissioner (telephonic)
	Steven J. Krenzel	Commissioner
	James Ashley	Director
	Jason M. Porter	Chief Legal Counsel
	Jonathan Hauer	Assistant Chief Legal Counsel
	Steven Welker	Labor Director
	Jessie Atencio	Assistant ADOSH Director
	Yvonne Borunda	Acting Commission Secretary

Chairman Schultz convened the meeting at 2:00 p.m. Also in attendance was Paloma Diaz, Legal Division Intern.

Discussion, Action, and Potential Resolution regarding Proposed Rulemaking to Title 20, Chapter 5, Article 12 of the Arizona Administrative Code relating to the Fair Wages and Healthy Families Act (Proposition 206), including proposed rulemaking to R20-5-1201; 20-5-1202; R20-5-1205; R20-5-1206; R20-5-1208; R20-5-1209; R20-5-1210; R20-5-1211; R20-5-1213; and R20-5-1218.

---

Mr. Welker addressed the Commission and introduced the proposed supplemental rulemaking.

Chairman Schultz requested that staff provide a brief synopsis of the proposed supplemental rules. Mr. Welker, Mr. Porter, and Mr. Hauer provided the synopsis.

Chairman Schultz and Mr. Hauer discussed the term “readily available,” referenced in the definition of “employee’s regular paycheck.”

Chairman Schultz and Mr. Hauer discussed the term “health care professional,” found in the statute.

Chairman Schultz, Mr. Welker, Mr. Porter, and Mr. Hauer discussed methods by which an employer may establish an hourly rate for commission, piece-rate, and fee-for-service employees.

Chairman Schultz and Mr. Hauer discussed the smallest increment of time that an employee may utilize as earned paid sick time.

Chairman Schultz, Mr. Porter, and Mr. Hauer discussed the factors referenced when making an independent contractor determination.

Chairman Schultz and Mr. Hauer discussed the absence of a statutory requirement that employers pay out unused earned paid sick time at separation.

Chairman Schultz, Commissioner Krenzel, Mr. Ashley, Mr. Welker, Mr. Porter, and Mr. Hauer discussed front loading, accrual and carry over options, recordkeeping, and interactions with payroll system providers.

Chairman Schultz, Commissioner Krenzel, Mr. Ashley, Mr. Welker, Mr. Porter, and Mr. Hauer discussed the small employer posting exemption and the definition of "small employer."

Commissioner Orchard complimented staff on its summarization of the proposed supplemental rules.

Commissioner Krenzel moved to authorize the Labor Department to engage in supplemental rulemaking consistent with the proposed resolution and proposed supplemental rules. Commissioner Orchard seconded the motion. Chairman Schultz, Commissioner Orchard, and Commissioner Krenzel voted in favor of the motion. The motion passed.

Announcements, Scheduling of Future Meetings and Retirement Resolutions.

Mr. Ashley noted that the transcript of the Oral Proceeding concerning Proposition 206 proposed rulemaking will be available online.

Chairman Schultz and Mr. Porter discussed the timeline for the rulemaking process.

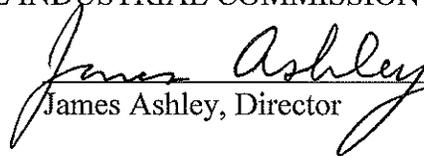
Public Comment.

There was no public comment.

Commissioner Krenzel moved to adjourn and Commissioner Orchard seconded the motion. Chairman Schultz, Commissioner Orchard, and Commissioner Krenzel voted in favor of the motion and the meeting was adjourned at 2:40 p.m.

THE INDUSTRIAL COMMISSION OF ARIZONA

By

  
James Ashley, Director

ATTEST:

  
Yvonne Borunda, Acting Commission Secretary