Your company functions at maximum effectiveness only if everyone understands their rights and responsibilities.

A Planning Resource for Your Arizona Employee Handbook

SacksTierney P.A. Attorneys

Sharon S. Moyer | Helen R. Holden
480-425-2600 | www.sackstierney.com
This publication, A PLANNING RESOURCE FOR YOUR ARIZONA EMPLOYEE HANDBOOK, has been produced with the goal of helping employers develop handbook policies that promote a fair and effective workplace and comply with Arizona law. While not every requirement in this publication applies to every Arizona employer, the guidelines should provide a useful starting point for creating policies that make sense for your company or organization.

For specific legal guidance in developing or modifying your employee handbook, we recommend that you consult with an experienced employment law attorney. If your company does not have an effective working relationship with such an attorney, please consider Sacks Tierney’s Employment Law practice group among your legal resources.

We offer experience with a wide array of employment issues, both in resolving and litigating employment disputes and in the use of “preventive law” to help employers avoid those disputes. In addition to assisting in the preparation of employee handbooks, we help business owners and human resource managers by guiding them through issues regarding hiring practices, employee reviews, discipline, compensation, overtime, and terminations.

Sacks Tierney is a member of MERITAS®, a global alliance of independent, full-service law firms committed to serving you. If you have employees in other states or countries, Sacks Tierney can assist you in developing a handbook that meets the requirements of non-Arizona jurisdictions.

Sharon S. Moyer
SHAREHOLDER
J.D., University of Wisconsin, 1987
480.425.2606
sharon.moyer@sackstierney.com

Focusing her practice on representing employers, Sharon Moyer works to minimize and resolve conflict between employers and employees. An experienced litigator, she assists in resolving employment disputes through mediation, arbitration and litigation before the Equal Employment Opportunity Commission, Arizona Civil Rights Division and state and federal courts. Ms. Moyer is a member of the Valley of the Sun Human Resource Association and is an advisory board member for HRWebAdvisor.

Helen R. Holden
SHAREHOLDER
J.D., Arizona State University, 1990
480.425.2611
helen.holden@sackstierney.com

Helen Holden represents small and medium businesses in commercial disputes as well as in all aspects of employment law. She practices before state and federal courts and agencies and is an experienced appellate lawyer. Helen has extensive experience in resolving a variety of contract disputes and workforce-related issues, and acts as an on-call human resources department for many small businesses. Clients praise Helen for her cost-effective approach to resolving business and employment disputes.
Arizona

I. Discrimination ................................................................................................................................. 6
   A. Protected classes under state and/or local laws........................................................................ 6
   B. Minimum number of employees required to be considered an “employer” under state and/or local law.............................................................. 7
   C. Recoverable damages under state law ....................................................................................... 7
   D. Statutes of limitation..................................................................................................................... 8
   E. Exhaustion of administrative remedies requirement .............................................................. 8
   F. EEOC-type charges..................................................................................................................... 8
   G. State Retaliation Issues.............................................................................................................. 8

II. Hiring ............................................................................................................................................. 8
    A. State-specific issues concerning interviews.............................................................................. 8
    B. Employee background checks................................................................................................... 8
    C. Reference immunity statutes................................................................................................... 9
    D. State or local polygraph protection laws ................................................................................... 9
    E. Strength of “at will employment” and exceptions.................................................................... 9
    F. Requirements for employment applications............................................................................. 10

III. Record Keeping ............................................................................................................................ 10
     A. State requirements: ................................................................................................................... 10
     B. Confidentiality of employee records and information.............................................................. 17
     C. State/local requirements to provide employees/former employees access to personnel records.................................................................................. 17
     D. State/local requirements for employee to update information............................................... 17
IV. Posting Requirements ...................................................................................................................... 17

A. State and/or local requirements. ...................................................................................................... 17

Arizona’s workplace poster requirements websites: ........................................................................... 17

V. Discipline/Performance Reviews .................................................................................................. 21

A. Progressive discipline

VI. Intellectual property ...................................................................................................................... 21

A. Non-competition agreements. ........................................................................................................ 21

B. Non-solicitation agreements. ........................................................................................................... 21

C. Confidential information. ................................................................................................................. 22

D. Trade practices. ................................................................................................................................. 22

E. Trade secrets. ..................................................................................................................................... 22

VII. Workplace Rules (Miscellaneous) .......................................................................................... 22

A. Smoke Free Workplace Act

VIII. Privacy ........................................................................................................................................ 22

A. Right to Privacy

B. State law requirements for drug testing

IX. Leave/Benefits .................................................................................................................................. 23

A. Meal periods and rest breaks. ........................................................................................................... 23

B. Paid time off....................................................................................................................................... 24
C. Paid holidays................................................................. 24
D. Other Leaves of Absence.................................................. 24
E. Workers Compensation State Specifics.......................... 24

X. Miscellaneous Programs/Benefits...................................... 25
   A. Employee assistance programs
   B. Unemployment insurance
   C. State disability benefits and family care

XI. ADA/FMLA & Workers Compensation.......................... 26
   A. State ADA-related laws and compliance issues............. 26
   B. State-equivalent to the FMLA........................................ 26
   C. Right to discipline or terminate for abuse..................... 26
   D. On the job injuries.......................................................... 26

XII. Handbooks/Policies.................................................... 26
   A. Are handbooks required? No........................................ 26
   B. Are policies required? No.............................................. 26
   C. State-law requirements for disclaimers/effectiveness of disclaimers under state law.................... 27
   D. Delivery/acknowledgement............................................ 28

XIII. Employment At Will................................................... 28
   A. Public policy and other exceptions – statutory
XIV. Technology .................................................................................................................................. 29

A. State law with regard to restrictions on internet access and use

XV. Wages.........................................................................................................................................29

A. State equivalent FLSA rules, including minimum wage and overtime ......................... 29
B. State restrictions on wage deductions, payment for uniforms, shortages, etc. .......... 29
C. Payday statutes/time of payment ....................................................................................... 30
D. Employer payroll responsibilities ....................................................................................... 30
E. Commissions: ......................................................................................................................... 30
F. Employment of minors ........................................................................................................... 30
G. Payment of Wages. ............................................................................................................... 31

XVI. Safety ...................................................................................................................................... 31

A. State OSHA statutes

XVII. Labor Issues .......................................................................................................................... 31

A. State labor relations laws

XVIII. Dispute resolution .................................................................................................................. 32

A. Arbitration agreements
B. Grievance Procedures

XIX. Terminating employees .......................................................................................................... 32

A. State law requirements for notice, including notice of continuing benefits – none
XX. Other State specific pitfalls/statutes ................................................................. 32
    A. Whistleblower laws ....................................................................................... 32
    B. Other provisions ......................................................................................... 33

XXI. Military Employees ....................................................................................... 34
    A. USERRA Equivalents

XXII. Plant Closing/Mass Layoff ........................................................................... 35

XXIII. Disaster Planning ....................................................................................... 35
Arizona

I. Discrimination

A. Protected classes under state and/or local laws

1. The Arizona Civil Rights Act ("ACRA") and similar Arizona statutes provide for the following protected classes:

   a. Age (40 and over), race, color, religion, sex, national origin, disability: A.R.S. §§ 41-1463 and 1465.


   c. Discrimination on the basis of race, color, religion, sex, national origin, ancestry or disability is prohibited in places of public accommodation: A.R.S. §§ 41-1442 & 41-1492.02.

   d. A mother is permitted to breast-feed in any public place or place of public accommodation where she is lawfully present. A.R.S. § 41-1443.

   e. No discrimination based on race, color, religion, sex, ancestry or national origin is permitted with respect to allowing one to vote. A.R.S. § 41-1421.

   f. It is unlawful to print or publish a notice or advertisement for an employment position or job training wherein the notice or advertisement indicates any preference, limitation, specification or discrimination based on age, race, color, religion, sex or national origin, except that such a notice or advertisement may indicate a preference, limitation, specification or discrimination based on age, religion, sex or national origin when age, religion, sex or national origin is a bona fide occupational qualification for employment. A.R.S. §41-1464.

   g. An employer may not discriminate based upon an employee having a wage assignment order to provide child support. A.R.S. § 23-722.02.

   h. An employer with 50 or more employees may not discriminate based upon an employee using his or her juvenile victim’s leave rights. A.R.S. § 8-420.
i. An employer with 50 or more employees may not discriminate based upon an employee using his or her victim’s leave rights. A.R.S. § 13-4439.

j. An employer may not discriminate based upon an employee’s use of medical marijuana, unless such was used or possessed on the premises of the place of employment during the hours of employment, or the employee was impaired at work due to the use of medical marijuana. A.R.S. § 36-2813.

k. It is a class 2 misdemeanor for an employer to refuse to hire or otherwise discriminate against an employee who is a member of the National Guard because of his or her membership or absence from employment because of military orders. A.R.S. § 26-167. Such conduct is also grounds for a wrongful termination lawsuit under A.R.S. § 23-1501.

B. Minimum number of employees required to be considered an “employer” under state and/or local discrimination law.

“Employer” is defined as one with 15 or more employees including part time or temporary employees for 20 or more weeks in the current or preceding calendar year. For sexual harassment purposes, a covered employer has 1 or more employees. A.R.S. § 41-1461.

C. Recoverable damages under state law

1. With respect to voting rights or public accommodations, actual and compensatory damages, including damages for emotional distress, court costs, preventive relief, including a permanent or temporary injunction, a restraining order or any other order against the person responsible for a violation, cost and fees: A.R.S. § 41-1472.

2. With respect to voting rights or public accommodations, if an action is brought by the Attorney General, in addition to the above, a civil penalty against the person responsible for the violation may be imposed of not more than (a) five thousand dollars for a first violation; and (b) ten thousand dollars for any subsequent violation. A.R.S. § 41-1472.

3. With respect to employment, no compensatory or punitive damages are recoverable. Cronin v. Sheldon, 195 Ariz. 531, 537, 991 P.2d 231, 237 (1999) (“ACRA does not provide compensatory damages for discriminatory conduct, for loss of earning capacity, or for punitive damages, all of which are now precluded by [statute] in ACRA-based claims.”).
4. With respect to employment, where the court finds an intentional violation, it may order the reinstatement or hiring of employees with or without back pay payable by the employer responsible for the unlawful employment practice or any other equitable relief as the court deems appropriate; however, back pay liability shall not accrue from a date more than two years prior to the filing of the charge and interim earnings or amounts earnable with reasonable diligence by the person or persons discriminated against shall reduce the back pay otherwise allowable. Attorney’s fees are also permitted. A.R.S. § 41-1481.

D. Statutes of limitation

1. Charges must be brought within 180 days of the alleged discriminatory act: A.R.S. § 41-1481.

2. Lawsuits must be brought within 90 days of the issuance of an agency determination, and in no event later than 1 year after the charge is filed: A.R.S. § 41-1481.

E. Exhaustion of administrative remedies requirement

1. Arizona law is the same as federal law: A.R.S. §§ 41-1471 & 41-1481.

F. EEOC-type charges

1. Arizona has a worksharing agreement with the EEOC; therefore, any charge filed with either agency is deemed filed with the other agency.

2. The Arizona Civil Rights Act is enforced by the Civil Rights Division of the Attorney General’s Office. For contact and other information, see: http://www.azag.gov/civil_rights/EmploymentDiscrimination.pdf

G. State Retaliation Issues

1. It is a violation of the Arizona Civil Rights Act to retaliate against an employee (or any person with respect to public accommodations and/or services) for seeking to enforce the act, whether formally or informally: A.R.S. § 41-1464 & 41-1492.10.

II. Hiring

A. State-specific issues concerning interviews.

There are no Arizona state-specific laws relating solely to interviews.

B. Employee background checks.
There are limited state authorities regarding background checks. One such statute relates to the use of credit report information, and provides that an employer who takes an adverse employment action as a result of credit report information must provide the employee with the name and address of the credit reporting agency that furnished the information. In addition, the state recognizes the tort of negligent hiring. As a result, depending upon the position the employee will hold, there may be a duty to investigate the employee’s background prior to hiring, particularly if the employee will be involved with responsibilities in areas such as child care, elder care, provision of security to others, the handling of firearms, or the handling of assets held in trust.

C. Reference immunity statutes

Arizona has enacted a “Blacklisting” statute (A.R.S. §§ 23-1361& 23-1362), which broadly prohibits employers from entering into any understanding or agreement which interferes with an individual’s ability to obtain employment. However, employers may lawfully provide future potential employers with information about a former employee’s “education, training, experience, qualifications, and job performance to be used for the purpose of evaluating the person for employment.” The statute also contains qualified immunity for those who in good faith provide reference information to other prospective employers, but only if the information provided is the reason for termination of a former employee or the job performance, professional conduct, or evaluation of a current or former employee. There are additional immunities provided in the statute for financial institutions.

D. State or local polygraph protection laws

There are no state specific polygraph protection laws in Arizona.

E. Strength of “at will employment” and exceptions

Arizona has codified at will employment explicitly in A.R.S. § 23-1501. The statute contains an exception for wrongful discharge in violation of public policy, but limits that right to limited circumstances:

1. the employee is discriminated against because of a refusal to violate state law;

2. the employee is discriminated against in retaliation for whistleblowing activity;

3. the employee is discriminated against in retaliation for filing a worker’s compensation claim;
4. the employee is discriminated against because of the exercise of the right to serve on a jury, the right to vote, the exercise of victim leave rights, or the right to join or not join a labor organization;

5. the employee is discriminated against because of service in the armed forces or national guard; or

6. the employee is discriminated against because the employee refuses to pay a fee or gratuity or purchase goods as a condition of employment.

F. Requirements for employment applications

There are no state-specific requirements for employment applications.

III. Record Keeping

A. State requirements:

1. With respect to discrimination, see A.R.S. § 41-1482, which requires records to be kept regarding discrimination complaints in accord with rules adopted by the Division. Compliance with the EEOC’s recordkeeping requirements is deemed compliance with the statute. The Division has adopted Arizona Administrative Code § R10-3-209, which does not provide much further guidance. That provision states:

   Every employer, employment agency, labor organization, or joint labor management committee controlling apprenticeship or other training or retraining including on the job training programs subject to this Act shall make and keep such records relevant to the determination of whether unlawful employment practices have been or are being committed, preserve such records for such periods, and make such reports therefrom, as the Division deems reasonable, necessary or appropriate for the enforcement of this Act; provided, however, that no employer, employment agency, labor organization, or joint labor management committee controlling apprenticeship or other training or retraining including on the job training programs required to file an EEO-1, -2, -3, or -4 Report with the Equal Employment Opportunity Commission shall be required to file a similar report with the Division unless specifically requested to do so by the Division.

2. Employers, after hiring an employee, shall verify the employment eligibility of the employee through the e-verify program and shall keep a record of the verification for the duration of the employee’s employment or at least three years, whichever is longer. A.R.S. § 23-214.
3. Any employer of persons under 18 years old must keep a written statement of wages paid to the minors, and must supply those records upon request by the Industrial Commission: A.R.S. § 23-312.

4. All employers must make and keep records related to workplace safety and health activities (including work-related deaths, injuries, and illness, other than minor injuries requiring only first aid treatment and which do not involve medical treatment, loss of consciousness, restriction of work or motion or transfer to another job). All employers must also retain accurate records of employee exposure to potentially toxic materials or harmful physical agents. Employees must be permitted access to such records, and employers shall promptly notify any employee who has been or is being exposed to toxic materials or harmful physical agents in concentrations or at levels which exceed those prescribed by an applicable occupational safety and health standard promulgated under A.R.S. § 23-410: A.R.S. § 23-427.

5. For payroll and workers’ compensation purposes, all employers must keep the following records for the most recent four calendar years:
   a. All time and earning cards or sheets on which are entered the daily starting and stopping time of individual employees, or of separate work forces, or the amounts of work accomplished by individual employees on a daily, weekly, or pay period basis (for example, units produced) when those amounts determine in whole or in part the pay period wages of those employees.
   b. From their last effective date, all wage-rate tables or schedules of the employer that provide the piece rates or other rates used in computing wages.
   c. Records of additions to or deductions from wages paid and records that support or corroborate the additions or deductions.

Arizona Administrative Code § R20-5-1210

6. For payroll and workers’ compensation purposes, with respect to individual employees, employers must maintain the following records for the most recent four calendar years:
   a. Name in full, and on the same record, the employee’s identifying symbol or number if it is used in place of the employee’s name on any time, work, or payroll record.
   b. Home address, including zip code.
c. Date of birth, if under 19.

d. Occupation in which employed.

e. Time of day and day of week on which the employee’s workweek begins. If the employee is part of a workforce or employed in or by an establishment all of whose workers have a workweek beginning at the same time on the same day, then a single notation of the time of the day and beginning day of the workweek for the whole workforce or establishment is permitted.

f. Regular hourly rate of pay for any workweek and an explanation of the basis of pay by indicating the monetary amount paid on a per hour, per day, per week, per piece, commission on sales, or other basis, including the amount and nature of each payment.

g. Hours worked each workday and total hours worked each workweek.

h. Total daily or weekly straight-time wages due for hours worked during the workday or workweek, exclusive of premium overtime compensation.

i. Total premium pay for overtime hours and an explanation of how the premium pay was calculated exclusive of straight-time wages for overtime hours recorded under subsection (B)(8) of this Section.

j. Total additions to or deductions from wages paid each pay period including employee purchase orders or wage assignments, including, for individual employee records, the dates, amounts, and nature of the items that make up the total additions and deductions.

k. Total wages paid each pay period.

l. Date of payment and the pay period covered by payment.

Arizona Administrative Code § R20-5-1210

7. For payroll and workers’ compensation purposes, with respect to an employee who is compensated on a salary basis at a rate that exceeds the minimum wage required under the Act and who, under 29 CFR 541, is an exempt bona fide executive, administrative, or professional employee, including an employee employed in the capacity of academic administrative personnel or teachers in elementary or secondary schools,
or in outside sales, employers must maintain the following records for the most recent four calendar years:

a. Records containing the information and data required under subsections (B)(1) through (B)(5), (B)(11) and (B)(12) of Arizona Administrative Code § R20-5-1210.

b. Records containing the basis on which wages are paid in sufficient detail to permit a determination or calculation of whether the salary received exceeds the minimum wage required under the Act, including a record of the hours upon which payment of the salary is based, whether full time or part time.

8. For payroll and workers’ compensation purposes, with respect to employees working on fixed schedules, an employer may maintain records for the most recent four calendar years showing instead of the hours worked each day and each workweek as required under this Section, the schedule of daily and weekly hours the employee normally works, provided:

a. In weeks in which an employee adheres to this schedule, the employer indicates by check mark, statement, or other method, that the employee actually worked the hours.

b. In weeks in which more or fewer than the scheduled hours are worked, the employer records the number of hours actually worked each day and each week.

9. For payroll and workers’ compensation purposes, with respect to an employee that customarily and regularly receives tips, the employer shall ensure that the records required under Arizona Administrative Code § R20-5-1210 for the most recent four calendar years include the following information:

a. A symbol, letter, or other notation placed on the pay records identifying each employee whose wage is determined in part by tips.

b. Amount of tips the employee reports to the employer.

c. The hourly wage of each tipped employee after taking into consideration the employee’s tips.

d. Hours worked each workday in any occupation in which the employee does not receive tips, and total daily or week straight-time payment made by the employer for the hours.
e. Hours worked each workday in occupations in which the employee receives tips and total daily or weekly straighttime wages for the hours.

f. Copy of the notice required under Arizona Administrative Code § R20-5-1207(C).

10. For payroll and workers’ compensation purposes, an employer who makes retroactive payment of wages, voluntarily or involuntarily, shall record on the pay records, the amount of the payment to each employee, the period covered by the payment, and the date of payment.

Arizona Administrative Code § R20-5-1210

11. Failure to keep all records required by Arizona Administrative code § R20-5-1210 for 4 years results in a rebuttable presumption that minimum wage was not paid, and can result in other penalties. A.R.S. § 23-264; Arizona Administrative Code § R20-5-1213.

12. A company with less than $500,000 in annual gross revenue may seek an exception to the recordkeeping requirements in Arizona Administrative code § R20-5-1210 by following the procedure set forth in Arizona Administrative Code § R20-5-1220. (See also, A.R.S. § 23-364).

13. For workers’ compensation purposes, employers must report all injuries and illnesses arising out of or in the course of employment within 10 days to the workers’ compensation commission. A.R.S. § 23-908.

14. Where an employer participates in a workers’ compensation pool, it must make board meeting minutes, reports or other documents concerning payroll, audits, investments, experience rating, or other information concerning the pool available to the Commission upon request, and shall retain records relating to the formation and operation of the pool. Arizona Administrative Code § R20-5-729.

15. For unemployment insurance purposes, whether or not an employer believes it is subject to the act, an employer must maintain records of the following for 4 full calendar years:

a. All disbursements made in cash, by check, or in any other medium. Such records shall contain the date of disbursement, the amount, or a clear identity of the form of remuneration if in any medium other than cash, the name of the payee and the purpose for the disbursement. Examples of records which shall be made
available for audit, inspection or copying, include, but are not limited to, the following:

1) Check stubs and cancelled checks for all payments
2) Cash receipts and disbursement records
3) Payroll journal
4) Purchase journal
5) General journal
6) General ledger
7) Payroll tax reports for all federal and state agencies
8) Individual earnings records

b. The services performed, which shall contain the following for each pay period:

1) The beginning and ending dates of such period
2) The total amount of remuneration whether in cash, by check or in any other medium paid in such pay period and the date of such payment
3) The dates in each calendar week on which there were the largest number of workers in employment and the number of such workers
4) The services performed, which shall contain the following for each worker:
5) Full name
6) Social security account number
7) Date on which the individual was hired, rehired, or returned to work after temporary layoff
8) Date of and reason for separation from work
9) Amount of remuneration whether in cash, by check, or in any other medium paid in each calendar quarter
10) The place in which the services are performed. For the purpose of this record, the place where the services are performed shall be reported as the city or town in which the services are performed in Arizona, or the county in which the services are performed in Arizona, if outside such a city. If the services are performed in more than one such city, town, or county in Arizona, the place where the services are performed shall be reported as the city, town, or county in Arizona in which the base of operation is located. If the services are performed both within and without Arizona, the place where the services are performed shall be reported as the city, town, or county in Arizona in which the base of operations is located; or if the base of operations is not located in Arizona, as the city, town, or county in Arizona from which the services are directed or controlled; or if the place from which the services are directed or controlled is also outside Arizona, as the city, town, or county in Arizona where the individual resides.

c. The remuneration paid for each period showing separately:

1) Money wages, excluding special payments.

2) Reasonable cash value, as determined by the Department, of the remuneration paid by the employing unit in any medium other than cash, but in no event shall such determined value be in an amount less than that provided by Department regulation where so provided, excluding special payments in a medium other than cash.

3) Special payments which are not due on any pay day, including annual bonuses, gifts, and prizes. Value of special payments other than cash shall be determined as set forth in (ii) above.

d. Failure to maintain records of the dates in each calendar week on which there were the largest number of workers in employment, it shall be presumed that all of the individuals performing services in the pay period performed services for some portion of the same day which is the day in which the largest number of individuals performed services in each week of the pay period.

A.R.S. § 23-722.01; Arizona Administrative Code § R6-3-1702.
16. If an employer owns or operates an elevator or similar device, the owner or operator shall notify the Elevator Safety Section at least 90 days before installation, relocation, or major alteration of a dumbwaiter with automatic transfer device within the state, elevator, escalator, dumbwaiter, moving walk, material lift, wheelchair lift, stairway chairlift, or platform lift. The building owner or operator shall also notify the Elevator Safety Section within 24 hours of every accident involving personal injury or disabling damage to a dumbwaiter with automatic transfer device, an elevator, escalator, dumbwaiter, moving walk, material lift, wheelchair lift, stairway chairlift, or platform lift. Arizona Administrative Code § R20-5-506.

B. Confidentiality of employee records and information

1. There is no specific state statute regarding confidentiality of employee records.

2. All persons and entities must keep social security numbers confidential, and may only use up to 5 characters of one’s social security number in any mailing to the social security number holder or in any card required for the holder to receive products or services provided by the person or entity. Where otherwise required by law, a social security number may be shared, such as in connection with a workers’ compensation claim. A.R.S. §§ 44-1373 et. seq.

C. State/local requirements to provide employees/former employees access to personnel records.

1. Employees and their designated representatives have the right to inspect and copy their payroll records: A.R.S. § 23-364.

D. State/local requirements for employee to update information.

1. There is no specific statute regarding an employee’s obligation to update his or her employer when his or her personal information changes.

IV. Posting Requirements

A. State and/or local requirements.

Many of Arizona’s workplace poster requirements can be found at the following websites:


These requirements include:

- **Child Labor** - Employers subject to a minimum fair wage order, whether directory or mandatory, shall keep a copy of the order posted in a conspicuous place where minors are employed: A.R.S. § 23-323.

- **Constructive discharge** - Employers must post a notice, include notice in the employee handbook, or include notice in a written communication provided to employees that is substantially in the following form:

  An employee is encouraged to communicate to the employer whenever the employee believes working conditions may become intolerable to the employee and may cause the employee to resign. Under section 23-1502, Arizona Revised Statutes, an employee may be required to notify an appropriate representative of the employer in writing that a working condition exists that the employee believes is intolerable, that will compel the employee to resign or that constitutes a constructive discharge, if the employee wants to preserve the right to bring a claim against the employer alleging that the working condition forced the employee to resign.

  Under the law, an employee may be required to wait for fifteen calendar days after providing written notice before the employee may resign if the employee desires to preserve the right to bring a constructive discharge claim against the employer. An employee may be entitled to paid or unpaid leave of absence of up to 15 calendar days while waiting for the employer to respond to the employee’s written communication about the employee’s working condition.

  A.R.S. § 23-1502

- **Discrimination** - Employers must post a notice, available from the Civil Rights Division, summarizing the Arizona Civil Rights Act and providing information pertinent to the filing of a complaint. A.R.S. § 41-1483.
d. E-Verify - Because Arizona requires all employers to participate in the E-Verify program, all Arizona employers must post the English and Spanish notice provided by the Department of Homeland Security, and the Right to Work poster issued by the Office of Special Counsel for Immigration-Related Unfair Employment Practices. Both notices must be clearly displayed in plain view at hiring site(s). The posters can be found at www.uscis.gov. A.R.S. § 23-214.

e. Exposure to bodily fluids - employers must display “Work Exposure to Bodily Fluids,” and “Work Exposure to methicillin-resistant Staphylococcus Aureus (MRSA), Spinal Meningitis, or Tuberculosis (TB)” in a conspicuous place immediately next to the “Notice to Employees” notice required under A.R.S. § 23-906(D). The postings are available from the Arizona Industrial Commission. Arizona Administrative Code § R20-5-164.

f. Elevators & other conveyances - The owner or operator under A.R.S. § 23-491.02 shall keep the Industrial Commission’s Certificate of Inspection at the same location as the elevator, dumbwaiter, escalator, moving walk, or related equipment and make the certificate available for inspection and copying upon request. The State Serial Number shall be posted or displayed in the elevator cab, and on the escalators, the State Serial Number shall be affixed to the right, at the lower end of the unit. A.R.S. § 23-491.05; Arizona Administrative Code § R20-5-505.

g. Hazardous occupations - Every employer employing workmen in a hazardous occupation shall, by rules, regulations or instructions, inform all employees in such occupations as to the duties and restrictions of their employment for the purpose of protecting the safety of employees in their employment. A.R.S. § 23-804.

h. Hours for Laundries - laundries shall post in a conspicuous place in every room where persons are employed a printed notice stating the number of hours work required of them on each day of the week, and the employment of any person for a longer period in any day than that so stated is a violation of the statute. A.R.S. § 23-284.

i. Minimum wage - employers must post a notice in the workplace informing employees of their rights under the minimum wage law, and must provide each employee, when hired, with the employer’s business name, address, and telephone number. A.R.S. § 23-364.

k. Smoking - "No Smoking" signs or signs with the international "No Smoking" symbol must be posted at every entrance at covered facilities stating that smoking is prohibited, and indicating where complaints about violations may be registered. A.R.S. § 36-601.01.

l. Unemployment insurance - employers shall post and maintain printed statements dealing with claims for benefits in places readily accessible to individuals in his service, and shall make available to each individual at the time he becomes unemployed, a printed statement dealing with claims for benefits. A.R.S. § 23-772.

m. Workers' compensation - whether providing insurance or paying workers' compensation directly, employers shall post in conspicuous places about his place of business typewritten or printed notices stating that he has complied with the provisions of Arizona's workers' compensation law and all rules and regulations of the commission made in pursuance thereof and, if such is the fact, has been authorized by the commission directly to compensate his employees or their dependents. A.R.S. § 23-964.

n. Workers' compensation - employers shall post and keep posted in a conspicuous place upon his premises, in English and Spanish and available for inspection by all workmen, a notice in substantially the following form:

   All employees are hereby notified that in the event they do not specifically reject the provisions of the compulsory compensation law they are deemed by the laws of Arizona to have accepted the provisions of such law, and to have elected to accept compensation under the terms of such law, and that under the terms thereof employees have the right to reject the same by written notice thereof prior to any injury sustained, and that blanks and forms for such notice are available to all employees at the office of this company.
A.R.S. § 906

V.  Discipline/Performance Reviews

A.  Progressive discipline.

There is no specific Arizona law regarding the use of progressive discipline by private employers.

VI.  Intellectual property

A.  Non-competition agreements.

Arizona courts generally disfavor restrictive covenants, but will enforce non-compete agreements that are ancillary to employment agreements, supported by adequate consideration, and are no broader than necessary to protect the employer’s legitimate interests. The party seeking to enforce the agreement (usually the employer) has the burden of proving its legitimate business interests and the necessity of the covenant. These interests include goodwill, confidential and proprietary information, and company relationships with customers and vendors, so long as the non-compete does not interfere with ‘special relationships’ that the employee may have with customers, such as the relationship between doctor and patient.

To be enforced, non-competition agreements must also be reasonable in geographic scope and duration. A larger geographic scope may be appropriate where the employer narrowly draws its protectable interest. Courts generally look to the time it would take for the employer to recruit and train a replacement employee to fill the position as a reasonable estimate of duration. Arizona courts will not re-write agreements to make them reasonable, but will apply the “blue pencil” rule to ignore severable portions of a covenant.

B.  Non-solicitation agreements.

Non-solicitation agreements, or “anti-piracy” agreements have been defined as those that restrict a former employee from soliciting customers of the former employer or otherwise using confidential information from the previous employment. Because such an agreement is less restrictive on the employee than a covenant not to compete, it is ordinarily not deemed oppressive and unreasonable, but must be no broader than necessary to protect the employer’s legitimate business interests.
C. Confidential information.

Information may be confidential and not rise to the level of a trade secret. Such information should be maintained in the strictest confidence. See also “Trade Secrets” below.

D. Trade practices.

See “Trade Secrets” below.

E. Trade secrets.

Arizona has enacted the Uniform Trade Secrets Act, A.R.S. § 44-401 et seq., which applies to actions for misappropriation of trade secrets. A trade secret is generally defined as information that both derives independent economic value from not being known to others, and is the subject of efforts to maintain its secrecy. Thus, trade secrets must be truly secret, and the owner of such secrets should take affirmative steps to maintain the confidentiality of its secrets. Such steps might include storing files with confidential information separately, limiting access to the information, maintaining records of those who have access, and similar safeguards. In the event trade secrets are misappropriated, damages and injunctive relief may be obtained.

VII. Workplace Rules (Miscellaneous)

A. Smoke Free Workplace Act

A.R.S. § 36-601.01 prohibits smoking an all public places and in all places of employment. It also prohibits employers from retaliating against employees attempting to exercise their right to a smoke free environment.

VIII. Privacy

A. Right to Privacy.

1. Arizona’s Constitution recognizes a right to privacy, stating that persons shall not be disturbed in their private affairs or have their homes invaded without authority of law. This provision has not been interpreted to provide a cause of action by one private party against another.

2. It is unclear what impact Arizona’s relatively new electronic communications statutes have on employer email monitoring policies. See A.R.S. § 13-3005.
B. State law requirements for drug testing

A.R.S. § 23-493 through 23-493.12, is Arizona’s Drug Testing of Employees statute. It makes clear that employers may conduct drug and alcohol testing of employees and prospective employees for any job-related purpose. Employees may be tested on reasonable suspicion, after a workplace accident, pre-hire and on a random basis.

The statute requires that the employer have a written policy setting forth (1) the employer’s drug and alcohol policy, (2) the categories of employees who will be subject to testing, (3) the circumstances for testing, (4) the substances for which employees may be tested, (5) a description of the testing method, (6) the consequences for a refusal to submit to testing, (7) what disciplinary action may be taken as a result of a positive test, (8) confidentiality (9) and the rights of the employee to explain the reason for a positive test and to obtain the test results.

The benefit to employers in having a written policy and following the Arizona statute is that it protects the employer from liability in the event the employer takes employment action based on a false positive test.

Employers’ ability to test for drug use has been impacted by the passage of Arizona’s Medical Marijuana Act (A.R.S. § 36-2801 through 2819), which permits and regulates the dispensing and use of marijuana to treat or alleviate the symptoms of certain medical conditions. Because qualifying persons are now permitted to use marijuana, and because Arizona’s statute specifically prohibits such action, employers may no longer use a drug test that is positive for marijuana as the basis for termination, disciplinary action, hiring or any decisions impacting a term or condition of employment.

There are major exceptions to this general rule. An employer may take an employment action against an employee who tests positive for marijuana use if (a) the employee is impaired or (b) the employer would lose a monetary or licensing benefit if the employee was not terminated or disciplined, or (c) the employee is in a safety sensitive position.

IX. Leave/Benefits

A. Meal periods and rest breaks.

1. There is no specific state statute. One must follow any voluntarily adopted policy, and any pay for which an employee has a reasonable expectation must be paid at termination. A.R.S. §§ 23-350 & 23-355; Apache East, Inc. v. Wiegand, 580 P.2d.769 (1978); Diethrich v. Schade, 760 P.2d 1050 (1988)).
B. Paid time off.

1. There is no specific state statute. One must follow any voluntarily adopted policy, and any pay for which an employee has a reasonable expectation must be paid at termination. A.R.S. §§ 23-350 & 23-355; Apache East, Inc. v. Wiegand, 580 P.2d.769 (1978); Diethrich v. Schade, 760 P.2d 1050 (1988)).

C. Paid holidays.

1. There is no specific state statute. One must follow any voluntarily adopted policy, and any pay for which an employee has a reasonable expectation must be paid at termination. A.R.S. §§ 23-350 & 23-355; Apache East, Inc. v. Wiegand, 580 P.2d.769 (1978); Diethrich v. Schade, 760 P.2d 1050 (1988)).

D. Other Leaves of Absence

1. Employers must permit employees at least 3 hours to vote. Polls open at 6:00 a.m. and close at 7:00 p.m. A.R.S. § 16-565. Employers are not required to post notice of such, and may require (1) employee’s to give notice at least 1 day in advance; and (2) choose whether the employee takes the time at the beginning of the shift or after. For example, employers with an 8:30 a.m. - 5:00 p.m. schedule for employees usually require that voting occur in the a.m. so that they only have to pay 1/2 hour vs. the hour at the end of the day.

2. Employers with 50 or more employees must permit a victim of a juvenile offense time off to attend relevant proceedings. A.R.S. § 8-420.

3. Employers with 50 or more employees must permit a victim of crime time off to attend relevant proceedings. A.R.S. § 13-4439.

4. When ordered by the governor to perform training or duty, members of the Arizona National Guard are entitled to the protections USERRA provides persons on federal active duty, and employers must permit a leave of absence with a right of reinstatement upon return without any affect on the employee’s vacation pay (except vacation need not continue to accrue during the leave of absence). A.R.S. § 26-168. A violation of this statute may be grounds for a wrongful termination lawsuit under A.R.S. § 23-1501.

E. Workers Compensation State Specifics

1. Basically all employers must provide no fault workers' compensation insurance for their employees. Employees covered by workers’
compensation are defined as every person “in the service of any employer” who is legally or illegally permitted to work for hire, except for a person whose employment is both casual and not in the usual course of the trade, business, or occupation of the employer. A.R.S. §§ 23-901 et. seq. The only exceptions are for the following types of workers:

a. Casual employees not working in the usual course of the employer's business

b. Domestic servants

c. Employees of motion picture companies temporarily in the state for 8 months or less, provided that such employees are covered by workers’ compensation insurance or its equivalent under the laws of their home state

d. Real estate salespersons whose compensation consists of commissions

e. Contractors and subcontractors are considered employees for purposes of workers’ compensation if the work is done within the employer’s trade or business, and the employer retains supervision and control over the specific tasks being done.

2. Employee waivers - an individual employee may reject coverage by submitting a written waiver in duplicate to the employer, who must forward one copy to the insurer. A worker who rejects coverage has the right to sue the employer if the employer's negligence causes injury. A waiver must be filed before an injury is sustained in order to preserve the worker's right to sue for that injury. A.R.S. § 23-901 et. seq.


X. Miscellaneous Programs/Benefits

A. Employee assistance programs

Employees participating in such programs through their employers may be protected by contractual commitments by the employer to keep such participation and related records confidential.
B. Unemployment insurance

Unemployment insurance is codified at A.R.S. § 23-601 et seq.

C. State disability benefits and family care

There are no state-specific disability benefit programs, and family care benefits are not required by state law.

XI. ADA/FMLA & Workers Compensation

A. State ADA-related laws and compliance issues

Arizona’s Civil Rights Act (“ACRA”) prohibits discrimination on the basis of disability, but does not provide any additional employee protection or remedy than that which is offered under the Americans with Disabilities Act. (A.R.S.§ 41-1401 et seq.)

B. State-equivalent to the FMLA

Arizona has no employee leave law.

C. Right to discipline or terminate for abuse

Arizona has no law regarding abuse of ADA or FMLA.

D. On the job injuries

Arizona has a comprehensive Workers’ Compensation system. (A.R.S.§ 23-901 et seq.) There are no additional provisions in Arizona law for payment to employees injured on the job.

XII. Handbooks/Policies

A. Are handbooks required? No.

B. Are policies required? No.

1. Employers who elect to have a drug or alcohol testing or retesting policy, must provide that policy in writing to every employee subject to testing, or make the policy available to employees in the same manner as the employer informs its employees of other personnel practices, including inclusion in a personnel handbook or manual or posting in a place accessible to employees. The employer shall inform prospective employees that they must undergo drug testing. The written policy shall include at least the following:
a. A statement of the employer’s policy respecting drug and alcohol use by employees.

b. A description of those employees or prospective employees who are subject to testing.

c. The circumstances under which testing may be required.

d. The substances as to which testing may be required.

e. A description of the testing methods and collection procedures to be used.

f. The consequences of a refusal to participate in the testing.

g. Any adverse personnel action that may be taken based on the testing procedure or results.

h. The right of an employee, on request, to obtain the written test results.

i. The right of an employee, on request, to explain in a confidential setting, a positive test result.

j. A statement of the employer’s policy regarding the confidentiality of the test results.

C. State-law requirements for disclaimers/effectiveness of disclaimers under state law.

1. No specific statute. The Arizona Supreme Court has held that an employer may not unilaterally alter the terms of a contract created by its handbook. *Demasse v. ITT Corp.*, 984 P.2d 1138 (Ariz. 1999). However, a clear and conspicuous disclaimer that the handbook is not part of any employment contract and that employment is at will can save an employer from such a claim. *Roberson v. Wal-Mart Stores, Inc.*, 44 P.3d 164 (Ariz. App. 2002).

2. Waivers of rights under various statutes may be declared invalid by statute, or invalid as against public policy by the courts. For example, a provision in an employment contract or handbook requiring the employee to agree not to join a union, or to join a union, is invalid. A.R.S. § 23-1341.
D. Delivery/acknowledgement

1. No specific statute.

XIII. Employment At Will

A. Public policy and other exceptions – statutory

1. The Arizona Employment Protection Act makes it the public policy of the state that the employment relationship may be terminated at the will of either the employee or the employer. The at-will nature of the relationship can only be altered by written agreement. Both the employer and the employee must sign such a written contract, or it must be set forth in an employment handbook, manual, or similar document that is distributed to the employee. A.R.S. § 23-1501.

2. A.R.S. § 23-1501 also provides that an at-will employee may claim damages in connection with his or her termination if:

   a. The employer violated a written employment agreement.

   b. The employee is discriminated against for refusing to commit an act or omission that would violate the state Constitution or statutes.

   c. The employee is discriminated against for disclosing to the employer or a supervisor that he or she has information or a reasonable belief that the employer or an employee has violated the law (whistleblowing).

   d. The employee is discriminated against for exercising the right to workers' compensation.

   e. The employee is discriminated against for participating in jury service.

   f. The employee is discriminated against for joining or not joining a labor organization.

   g. The employee is discriminated against for exercising his or her voting rights.

   h. The employee is terminated or otherwise discriminated against for serving in the National Guard or armed forces.
i. The employee is discriminated against for exercising the right to be free from the extortion of fees or gratuities as a condition of employment.

j. The employee is discriminated against for exercising the right to be free from coercion to purchase goods or supplies from any particular person as a condition of employment.

k. The employee is discriminated against for exercising his or her victim's leaves rights in A.R.S. §§ 8-420 &/or 13-4439.

A.R.S. § 23-1501

XIV. Technology

A. State law with regard to restrictions on internet access and use.

There is no specific state law regarding restrictions on internet access and usage by employees.

XV. Wages

A. State equivalent FLSA rules, including minimum wage and overtime.

1. Arizona’s minimum wage statutes are set forth at A.R.S. § 23-362 through 365. As of April, 2012, Arizona’s minimum wage is $7.65 per hour. The Arizona Industrial Commission implements annual minimum wage increases, when the Consumer Price Index for all Urban Consumers increases. Unlike the Fair Labor Standards Act, Arizona law does not permit payment of less than minimum wage to trainees and students.

2. A.R.S. § 23-363 does permit employers with tipped employees to pay up to $3.00 per hour less than minimum wage, if the employer can establish that the employee received not less than minimum wage in combined wages and tips.

3. A.R.S. § 23-362(c) provides an exception to the application of the minimum wage statute for small businesses; defined as having less than $300,000.00 in gross annual revenue. Arizona has no statutes regarding payment of overtime.

B. State restrictions on wage deductions, payment for uniforms, shortages, etc.

1. Pursuant to A.R.S. § 23-351(c)(1), employers may hold back one week’s pay from the paychecks of continuing employees. In other words, employees can be paid one week in arrears.
2. A.R.S. § 23-352 specifies the circumstances in which an employer may withhold any portion of an employee’s wages. Employers may deduct only if:
   a. the employer is required to do so by state or federal law;
   b. the employee has authorized the withholding in writing; or
   c. there is reasonable good faith dispute as to the amount of wages due, including the amount of any counterclaim, claim of debt or set off against the employee.

3. Pursuant to A.R.S. § 23-355, employers may be subject to payment of treble damages for a failure to timely pay wages, unless such failure was in good faith.

C. Payday statutes/time of payment.
   1. Employees must be paid wages at least twice per month, on fixed pay days, not more than 16 days apart. A.R.S. § 23-351(A).
   2. Terminated employees must be paid within three days of termination, or the next regular pay day, whichever is sooner. A.R.S. § 23-353.
   3. Employees who resign must be paid by the next regular payday. A.R.S. § 23-353.

D. Employer payroll responsibilities
   1. Wages are defined at A.R.S. § 23-351 as nondiscretionary compensation due an employee, for which the employee has a reasonable expectation to be paid. Wages include sick time, vacation pay, severance pay, commissions, bonuses, compensatory time pay or other amounts promised when the employer has a policy or practice of making such payments.

E. Commissions:
   1. A.R.S. §§ 44-1798 through 1798.05 addresses the payment of commission to non-employee sales representatives.

F. Employment of minors
   1. Certain occupations are prohibited for minors under 16 and 18 years of age. There are also limitations on the number of hours a child under the age of 16 make work. Children under 16 may not work more than 18
hours per week while school is in session, or more than 40 hours per week when school is out of session. Children under 16 may also not work at night. A.R.S. § 23-311 et. seq.

2. There are some exemptions for relatives employing children and for children in certain vocational or career educational programs. A.R.S. § 23-235.

G. Payment of Wages.

Employers must pay employee all wages due within three days after termination. Wages may be withheld only if there is a good faith dispute as to the amount, if any, that is owed, including any amount the employer claims as setoff. Employers must pay employees who voluntarily quit all wages due by the next regular pay period. A.R.S. § 23-350 et seq.

XVI. Safety

A. State OSHA statutes


2. The general duty of the employer is to provide a workplace free from all recognized hazards that are likely to cause injury or death to an employee and to comply with promulgated safety and health standards.

3. The Arizona Division of Occupational Safety and Health (“ADOSH”) is charged with enforcement of the Act, through investigation, training and rule promulgation. It has the authority to issue citations and impose penalties.

XVII. Labor Issues

A. State labor relations laws

1. Arizona is a right to work state. A.R.S. § 23-1301 et. seq.

2. Employment Agreements providing that an employee will or will not participate in a union are invalid. A.R.S. § 23-1302 & 23-1303.

3. It is illegal to attempt to coerce participation or non-participation in a union. A.R.S. §§ 23-1304 et. seq.
4. Picketing is only permissible if there is a dispute between the employer and a majority of employees over wages or working conditions. A.R.S. §§ 23-1303 & 23-1322.

XVIII. Dispute resolution

A. Arbitration agreements

1. Arizona has two different simultaneously operative general arbitration statutes: the state enactment of both the Uniform Arbitration Act and the Revised Uniform Arbitration Act. The statutes do not apply to arbitration agreements between employers and employees. As a result, because the FAA preempts state statutes that interfere with parties’ ability to agree to arbitrate, the FAA applies to employment arbitration agreements.

B. Grievance Procedures

1. There are no specific state laws providing that employers must have a grievance procedure or a particular form of procedure for employees.

XIX. Terminating employees

A. State law requirements for notice, including notice of continuing benefits – none

1. Arizona has no specific requirements as to notification to employees of reason for termination or notice of continuing benefits.

XX. Other State specific pitfalls/statutes

A. Whistleblower laws

1. Arizona’s Employment Protection Act (A.R.S. §23-1501) provides that employees may not be terminated in retaliation for the disclosure of a reasonable belief that the employer has violated, is violating, or will violate the Constitution of Arizona or the statutes of the state. To be entitled to this protection, the employee must report his or her belief to either the employer or a representative of the employer who the employee reasonably believes is in a managerial or supervisory position and has the authority to investigate the information provided by the employee and to take action to prevent further violations of the Constitution of Arizona or statutes of Arizona.
B. Other provisions

1. Immigration/E-Verify

   a. The Legal Arizona Workers Act, also known as the Employers’ Sanction Act, was passed by the Arizona legislature in 2007. The Act, which went into effect January 1, 2008, requires employers to use E-Verify to ensure that workers are legally authorized to work in the United States, and it provides for the suspension or revocation of the business licenses of Arizona employers that knowingly or intentionally employ unauthorized aliens.

   After various legal challenges, the United States Supreme Court upheld this Act. Under it, employers must verify the employment eligibility of new employees through the E-Verify program and keep a record of the verification throughout the employment or for three years, whichever is longer. Employers may register online for the E-Verify program. Proof of verifying the employment authorization of an employee through the E-Verify program creates a rebuttable presumption that an employer did not knowingly employ an unauthorized alien.

   An employer who knowingly employs an unauthorized alien will be required to terminate all unauthorized workers and will be placed on a three-year probationary period. The employer’s business license may also be suspended for up to 10 days. ("Knowingly" means actual knowledge, or knowledge through notice of facts and circumstances, that would lead a reasonable person, through reasonable care, to know of a certain condition.)

   An employer who intentionally employs an unauthorized alien will be required to terminate all unauthorized workers, will receive a mandatory suspension of its business licenses for 10 days and be placed on a five-year probationary period. (An employer would be "intentional" in the hiring of an unauthorized alien if it was the employer’s objective to engage in the prohibited conduct.)

   An employer who knowingly or intentionally employs an unauthorized alien while on probation under the scheme will receive a mandatory revocation of its business license.
2. Constructive Discharge

a. Arizona defines the circumstances under which an employee can successfully state a claim for constructive discharge. (A.R.S. § 23-1502.) Specifically, an employee preserves his or her constructive discharge claim if he or she can provide evidence of objectively difficult or unpleasant working conditions to the extent that a reasonable employee would feel compelled to resign, if the employer has been given at least fifteen days' notice by the employee that the employee intends to resign because of these conditions and the employer fails to respond to the employee's concerns.

In this circumstance, if the employer has displayed a constructive discharge posting, and the employee resigns without giving the required fifteen days' notice, the employee will be unable to assert a constructive discharge claim.

In certain circumstances, however, particularly those involving outrageous conduct by the employer or a managing agent of the employer, including sexual assault, threats of violence directed at the employee, a continuous pattern of discriminatory harassment by the employer or by a managing agent of the employer or other similar kinds of conduct, the employee will preserve his or her claim, even without providing the required notice.

XXI. Military Employees

A. It is a class 2 misdemeanor for an employer to refuse to hire or otherwise discriminate against an employee who is a member of the National Guard because of his or her membership or absence from employment because of military orders. A.R.S. § 26-167.

B. It is a class 2 misdemeanor for an employer to attempt to dissuade an employee from enlisting in the state or U.S. military services. A person violating this law is guilty of a class 2 misdemeanor. A.R.S. § 26-167.

C. When ordered by the governor to perform training or duty, members of the Arizona National Guard are entitled to the protections USERRA provides persons on federal active duty, and employers must permit a leave of absence with a right of reinstatement upon return without any affect on the employee’s vacation pay (except vacation need not continue to accrue during the leave of absence). A.R.S. § 26-168.
D. Arizona permits a credit against corporate income taxes for employers whose employees are members of the Arizona National Guard called to active duty. The credit is for $1,000 for each employee placed in active duty for tax years beginning after December 31, 2005. A.R.S. § 43-1167.01.

XXII. Plant Closing/Mass Layoff

There is no state-specific plant closing or mass layoff law.

XXIII. Disaster Planning

Arizona has no specific disaster planning requirements that impact employers, other than normal building Code and Regulation requirements.
A Half Century of Service to Our Clients and Our Community

Since our founding in 1960, we have consistently addressed our clients' diverse legal needs with a combination of talent, creativity, professionalism and integrity.

Sacks Tierney is an ideal law firm for individuals, entrepreneurs and corporate decision-makers who value excellence in legal skill and responsiveness and who appreciate our values of:

- unyielding professionalism;
- honesty, integrity and trust;
- respect for the individual;
- creativity and innovation; and
- performance that exceeds expectations.

Sacks Tierney serves Arizona businesses and entrepreneurs in such areas as commercial litigation, construction, real estate, business transactions, taxation and employment.

To this core of legal services Sacks Tierney has added an array of niche practices in Indian law, healthcare law, water and natural resources, and intellectual property law. To meet your needs for personal legal services, we offer valuable expertise in estate planning, probate, criminal defense and family law.