

House Engrossed Senate Bill

~~disciplinary action; appeal; superior court~~
(now: law enforcement; reinstatement; costs)

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SENATE BILL 1493

AN ACT

AMENDING SECTIONS 38-612, 38-1004 AND 38-1106, ARIZONA REVISED STATUTES;
RELATING TO LAW ENFORCEMENT TERMINATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 38-612, Arizona Revised Statutes, is amended to
3 read:

4 38-612. Administration of payroll salary deductions

5 A. There shall be no payroll salary deductions from the
6 compensation of state officers or employees except as specifically
7 authorized by federal law or regulation or by a statute of this state. An
8 administrative agency of this state may not authorize any other deduction.

9 B. Notwithstanding subsection A of this section, reductions to
10 retroactive payroll compensation are authorized pursuant to section
11 38-1106, subsection ~~L~~ L, paragraph 5.

12 C. In addition to those payroll salary deductions required by
13 federal law or regulation or by statute, state officers or employees may
14 authorize deductions to be made from their salaries or wages for the
15 payment of:

16 1. Premiums on any health benefits, disability plans or group life
17 plans provided for by statute and any existing insurance programs already
18 provided by payroll deduction.

19 2. Shares or obligations to any state or federally chartered credit
20 union established primarily for the purpose of serving state officers and
21 employees and their families.

22 3. Dues in a recognized association composed principally of
23 employees and former employees of agencies of this state, subject to the
24 following criteria:

25 (a) When composed of at least one thousand state employees other
26 than employees of the state universities, the department of public safety
27 and academic personnel of the Arizona state schools for the deaf and the
28 blind.

29 (b) When composed of at least twenty-five percent of the academic
30 personnel or of the nonacademic employees of any state university.

31 (c) When composed of at least twenty-five percent of the academic
32 personnel of the Arizona state schools for the deaf and the blind.

33 (d) When composed of at least four hundred state employees who are
34 certified as peace officers by the Arizona peace officer standards and
35 training board established by section 41-1821.

36 (e) When composed of a combined total of at least eight hundred
37 state employees described in subdivision (d) of this paragraph, state
38 employees of the state department of corrections and state employees who
39 are law enforcement officers.

40 4. Deferred compensation or tax sheltered annuity salary reductions
41 when made under approved plans.

42 5. Federal savings bond plans.

1 6. Recurrent fees, charges or other payments payable to a state
2 agency under a collection plan approved by the director of the department
3 of administration.

4 7. Except as provided in subsection G of this section,
5 contributions made to a charitable organization:

6 (a) Organized and operated exclusively for charitable purposes and
7 selected by the presidents of the state universities. Employees of the
8 state universities shall be advised by form of the charitable
9 organizations to which the employees may contribute through payroll salary
10 deductions. The advisory provided under this subdivision shall be
11 substantially similar to the following and prominently printed:

12 "You may contribute to any charitable organization registered under
13 internal revenue code section 501(c)(3), tax exempt status.

14
15 _____
16 Charitable organization name"

17 This subdivision applies only to academic personnel and nonacademic
18 employees of the state universities.

19 (b) Organized and operated exclusively for charitable purposes,
20 provided a fund drive by such an organization shall be applicable to all
21 state agencies except the state universities covered under subdivision (a)
22 of this paragraph and no state officer or employee of state agencies
23 subject to this subdivision may authorize more than one deduction for
24 charitable purposes to be in effect at the same time. This subdivision
25 applies to all state agencies except the universities covered under
26 subdivision (a) of this paragraph.

27 8. Contributions made for the purpose of contributing to a
28 fundraising campaign for a university or a club for faculty or staff, or
29 both, which is recognized by the university president and authorized by
30 the Arizona board of regents. This paragraph applies only to academic
31 personnel and nonacademic employees of the state universities.

32 9. Charges payable for transportation expenses pursuant to section
33 41-710.01.

34 10. Payments ordered by courts of competent jurisdiction within
35 this state.

36 11. Automobile or homeowner's insurance premiums.

37 12. Premiums for the following state-sponsored group benefits that
38 are established primarily for the purpose of serving state officers and
39 employees and their families:

40 (a) Long-term care insurance.

41 (b) Critical care insurance.

42 (c) Prepaid legal services.

43 (d) Identity theft protection services.

44 13. A computer system as defined in section 13-2301 for personal
use.

1 D. In order for the department of administration to establish and
2 maintain a dues deduction pursuant to subsection C, paragraph 3 of this
3 section, the department of administration may establish and maintain the
4 deduction without the appropriation of any additional monies or
5 technological improvements. The department of administration shall track
6 all personnel hours dedicated to dues deduction. The department of
7 administration may charge a fee to a recognized association that qualifies
8 under subsection C, paragraph 3 of this section for establishing the
9 automatic dues deduction and anytime changes are needed in the automatic
10 dues deduction system as a result of an increase or decrease in
11 association dues. If the membership criteria of a recognized association
12 fall below the criteria set forth in subsection C, paragraph 3 of this
13 section, the recognized association shall be on probation for one year.
14 If the membership of a recognized association falls below the criteria set
15 forth in subsection C, paragraph 3 of this section for more than one year,
16 or if the members of the association engage in a work slowdown or work
17 stoppage, the dues deduction authorized by this section shall immediately
18 be discontinued.

19 E. For those state officers and employees under payroll systems
20 that are under the direction of the director of the department of
21 administration, the director shall provide for the administration of
22 payroll deductions for the purposes set forth in this section. For all
23 other state officers and employees and for persons receiving allowances or
24 benefits under other state payroll and retirement systems, the appropriate
25 state officer shall provide for such administration of payroll deductions.
26 Such administration shall operate without cost or contribution from the
27 state other than the incidental expense of making the deductions and
28 remittances to the payees. If any payee requests additional services, the
29 director of the department of administration or any other appropriate
30 state officer may require payment for the additional cost of providing
31 such services.

32 F. As a means of readily identifying the employee from whom payroll
33 deductions are to be made, the state officer administering payroll
34 deductions may request an employee to enter such employee's social
35 security identification number on the payroll deduction authorization.
36 Such number shall not be used for any other purpose.

37 G. There shall be no payroll salary deductions from the
38 compensation of state officers or employees for contributions made to a
39 charitable organization that performs a nonfederally qualified abortion or
40 maintains or operates a facility where a nonfederally qualified abortion
41 is performed for the provision of family planning services. For the
42 purposes of this subsection, "nonfederally qualified abortion" means an
43 abortion that does not meet the requirements for federal reimbursement
44 under title XIX of the social security act.

1 H. The state, the director of the department of administration or
2 any other appropriate state officer shall be relieved of any liability to
3 employees authorizing deductions or organizations receiving deductions
4 that may result from authorizations pursuant to this section.

5 Sec. 2. Section 38-1004, Arizona Revised Statutes, is amended to
6 read:

7 38-1004. Appeals; hearings

8 A. A classified law enforcement officer who is suspended, demoted
9 or dismissed by the department head, after a hearing and review before the
10 merit system council, may have the determination of the council reviewed
11 pursuant to title 12, chapter 7, article 6 in the superior court of the
12 county in which the law enforcement officer resides. If the determination
13 of the council is overruled by the court, the law enforcement officer
14 shall be reinstated in the officer's position and the officer shall be
15 reimbursed for any compensation withheld pending determination by the
16 council and court.

17 B. If the order of the department head was for a suspension greater
18 than sixteen hours, demotion or dismissal and the court exonerates the
19 officer, the court may award, in whole or in part, the reasonable costs
20 and attorney fees that the law enforcement officer incurred or were
21 incurred on behalf of the law enforcement officer in the court
22 proceedings. The award of attorney fees by the court shall not exceed
23 \$15,000. An award of attorney fees does not apply if either of the
24 following applies:

25 1. The order of the department head was not for disciplinary
26 purposes but was for administrative purposes such as a reduction in force.

27 2. The disciplinary action related to off-duty activities unrelated
28 to the required duties of the law enforcement officer. If the department
29 head appeals the decision of the court, the court's award of any costs or
30 attorney fees to an officer shall be stayed pending the conclusion of the
31 appeal. If the department head's decision is upheld on appeal, the award
32 of costs or attorney fees in favor of the officer shall be reversed.

33 C. If a law enforcement officer of a county, city or town described
34 in section 38-1007 appeals from a decision of a department head in
35 connection with the law enforcement officer's suspension greater than
36 sixteen hours, demotion or dismissal and the county, city or town
37 maintains a merit system or civil service plan for its employees, and the
38 merit system or civil service plan appeals board exonerates the officer,
39 the merit system or civil service plan appeals board may award, in whole
40 or in part, the reasonable costs and attorney fees that the law
41 enforcement officer incurred or were incurred on behalf of the law
42 enforcement officer in connection with the appeal. The amount of the
43 award by the merit system or civil service plan appeals board shall not
44 exceed \$10,000. If the department head appeals the decision of the merit

1 system or civil service appeals board, the award of attorney fees shall be
2 stayed pending the conclusion of the appeal. If the officer appeals to
3 court the decision of the merit system or civil service plan appeals
4 board, or of the city or town council or board of supervisors if the city,
5 town or county has no such board, and the court exonerates the officer,
6 the court may award, in whole or in part, the reasonable costs and
7 attorney fees that the law enforcement officer incurred or were incurred
8 on behalf of the law enforcement officer in connection with the appeal.
9 The award of attorney fees by the governing body or court shall not exceed
10 \$15,000. An award of attorney fees under this subsection does not apply
11 if either of the following applies:

12 1. The order of the department head was not for disciplinary
13 purposes but was for administrative purposes such as a reduction in force.

14 2. The disciplinary action related to off-duty activities unrelated
15 to the required duties of the law enforcement officer. If the department
16 head appeals the decision of the court, the court's award of any costs or
17 attorney fees to an officer shall be stayed pending the conclusion of the
18 appeal. If the department head's decision is upheld on appeal, the award
19 of costs or attorney fees in favor of the officer shall be reversed.

20 D. A department head shall have the right to have all council
21 policies and decisions reviewed pursuant to title 12, chapter 7, article 6
22 in the superior court of the county in which the law enforcement officer
23 resides and legal counsel for the department head shall be provided by the
24 county or city attorney in whose jurisdiction the department lies.

25 E. Notwithstanding section 38-1106, subsection ~~J~~ K, any appeal of
26 a suspension, demotion or dismissal in which a single hearing officer or
27 administrative law judge has been appointed by the merit system council or
28 appeals board to conduct the appeal hearing shall be open to the public
29 unless the hearing officer or administrative law judge determines that
30 good cause exists to close the hearing.

31 Sec. 3. Section 38-1106, Arizona Revised Statutes, is amended to
32 read:

33 38-1106. Appeal of disciplinary actions; transcripts; change
34 of hearing officer or administrative law judge;
35 burden of proof; superior court appeal; final
36 disposition report; exception

37 A. In any appeal of a disciplinary action by a law enforcement
38 officer, the parties shall cooperate with each other, act in good faith
39 and exchange copies of all relevant documents and a list of all witnesses
40 pursuant to the following time periods and requirements:

41 1. Within fourteen calendar days after the employer's receipt of a
42 written request from the law enforcement officer for a copy of the
43 investigative file that is accompanied by a copy of the filed notice of
44 appeal, the employer shall provide a complete copy of the investigative

1 file as well as the names and contact information for all persons
2 interviewed during the course of the investigation.

3 2. Not later than fourteen calendar days before the appeal hearing,
4 the parties shall produce and serve on every party the following
5 information:

6 (a) The name of each witness whom the disclosing party expects to
7 call at the appeal hearing, with a designation of the subject matter on
8 which each witness might be called to testify. A witness may decline an
9 interview. The parties shall not interfere with any decision of a witness
10 regarding whether to be interviewed. An employer shall not discipline,
11 retaliate against or threaten to retaliate against any witness for
12 agreeing to be interviewed or for testifying or providing evidence in the
13 appeal.

14 (b) The name and contact information of each person who has given
15 statements, whether written or recorded or signed or unsigned, regarding
16 matters relevant to the notice of discipline and the custodian of the
17 copies of those statements.

18 (c) Copies of any documents that may be introduced at the hearing
19 and that have not previously been disclosed.

20 3. The duty to disclose information continues to exist throughout
21 the process and up to the end of the appeal process.

22 B. It is unlawful for a person to disseminate information that is
23 disclosed pursuant to subsection A of this section to any person other
24 than the parties to the appeal and their lawful representatives for
25 purposes of the appeal of the disciplinary action. This subsection does
26 not prohibit the use of the information in the hearing or disclosure
27 pursuant to title 39, chapter 1, article 2.

28 C. If a transcript is required in an administrative hearing, the
29 employer shall obtain the transcript and provide a copy to the law
30 enforcement officer within ten calendar days after the employer's receipt
31 of the transcript.

32 D. Failure to comply with the requirements of subsection A or B of
33 this section shall result in the exclusion of the witness, evidence or
34 testimony, unless the failure to comply is because of excusable neglect.

35 E. The employer or the law enforcement officer may seek a
36 determination by the hearing officer, administrative law judge or appeals
37 board hearing the appeal regarding any evidence that the employer or the
38 law enforcement officer believes should not be disclosed pursuant to
39 subsection A of this section because the risk of harm involved in
40 disclosure outweighs any usefulness of the disclosure in the hearing. In
41 determining whether evidence will be disclosed, the hearing officer,
42 administrative law judge or appeals board may perform an in camera review
43 of the evidence and may disclose the material subject to any restriction
44 on the disclosure, including the closing of the hearing or the sealing of

1 the records, that the hearing officer, administrative law judge or appeals
2 board finds necessary under the circumstances.

3 F. In any appeal of a disciplinary action by a law enforcement
4 officer in which a single hearing officer or administrative law judge has
5 been appointed to conduct the appeal hearing, the law enforcement officer
6 or the employer, within ten calendar days after the appointment of the
7 hearing officer or administrative law judge, may request a change of
8 hearing officer or administrative law judge. In cases before the office
9 of administrative hearings or if the employer is a county, city or town,
10 on the first request of a party, the request shall be granted. A city or
11 town with a population of less than sixty-five thousand persons or a
12 county with a population of less than two hundred fifty thousand persons
13 must provide, if necessary to comply with this subsection, for an
14 alternate hearing officer by means of an interagency agreement with
15 another city, town or county. If the law enforcement officer is the party
16 who requested the alternate hearing officer, the law enforcement officer
17 shall reimburse the city, town or county for one-half of any additional
18 expenses incurred by the city, town or county in procuring the alternate
19 hearing officer under the interagency agreement. If an alternate hearing
20 officer is requested by means of an interagency agreement, the hearing
21 officer shall provide to the law enforcement officer or employer the
22 option of continuing the hearing for an additional ten calendar days. Any
23 subsequent requests may be granted only on a showing that a fair and
24 impartial hearing cannot be obtained due to the prejudice of the assigned
25 hearing officer or administrative law judge. The supervisor or
26 supervising body of the hearing officer or administrative law judge shall
27 decide whether a showing of prejudice has been made.

28 G. The employer has the burden of proof in an appeal of a
29 disciplinary action by a law enforcement officer.

30 H. The hearing officer, administrative law judge or appeals board
31 may take into consideration violations of this article as mitigation in
32 determining discipline.

33 I. Except where a statute, rule or ordinance makes the
34 administrative evidentiary hearing the final administrative determination
35 and after a hearing where the law enforcement officer and the employer
36 have been equally allowed to call and examine witnesses, cross-examine
37 witnesses, provide documentary evidence and otherwise fully participate in
38 the hearing, an employer or a person acting on behalf of an employer may
39 amend, modify, reject or reverse the portion of a decision made by a
40 hearing officer, administrative law judge or appeals board that was
41 arbitrary or without reasonable justification. The employer or person
42 acting on behalf of the employer shall state the reason for the amendment,
43 modification, rejection or reversal.

1 J. IF A HEARING OFFICER, ADMINISTRATIVE LAW JUDGE OR APPEALS BOARD
2 DETERMINES THAT A TERMINATION OF A LAW ENFORCEMENT OFFICER BY AN EMPLOYER
3 WAS WITHOUT JUST CAUSE AND THE EMPLOYER FAILS TO REINSTATE THE LAW
4 ENFORCEMENT OFFICER AND A SUBSEQUENT ACTION BROUGHT IN SUPERIOR COURT
5 PURSUANT TO SECTION 38-1107 ALSO DETERMINES THAT THE TERMINATION WAS
6 WITHOUT JUST CAUSE, THE EMPLOYER SHALL PAY ALL TAXABLE COSTS AND
7 REASONABLE ATTORNEY FEES AND EXPERT FEES INCURRED BY THE LAW ENFORCEMENT
8 OFFICER FOR THE APPEAL TO THE HEARING OFFICER, ADMINISTRATIVE LAW JUDGE OR
9 APPEALS BOARD AND THE SUBSEQUENT APPEAL TO THE SUPERIOR COURT.

10 ~~J.~~ K. Notwithstanding chapter 3, article 3.1 of this title, all
11 hearings pursuant to this section shall be open to the public. Executive
12 sessions allowed pursuant to section 38-431.03 shall be limited to legal
13 advice to a personnel appeals board or for deliberations.

14 ~~K.~~ L. A law enforcement officer who prevails in an appeal where a
15 termination has been reversed shall be awarded retroactive compensation
16 from the date of the LAW ENFORCEMENT officer's separation to the date of
17 reinstatement. The hearing officer, administrative law judge or appeals
18 board hearing the appeal shall determine the amount of retroactive
19 compensation awarded and any reduction to that amount. Retroactive
20 compensation may be reduced:

21 1. If there is undue delay in setting a hearing date caused by the
22 law enforcement officer or the law enforcement officer's representative.

23 2. If the law enforcement officer requests a continuance.

24 3. If there exists a period between separation and reinstatement
25 that the law enforcement officer would have been unable to perform the
26 duties of a law enforcement officer.

27 4. By any amount earned by the law enforcement officer in
28 alternative employment.

29 5. If the hearing officer, administrative law judge or appeals
30 board finds that the law enforcement officer's action or misconduct
31 warrants suspension or demotion.

32 ~~L.~~ M. The hearing officer, administrative law judge or appeals
33 board shall state in every finding of disciplinary action whether or not
34 just cause existed for the disciplinary action.

35 ~~M.~~ N. The hearing officer, administrative law judge or appeals
36 board shall document in the record those circumstances where the hearing
37 officer, administrative law judge or appeals board determines that a party
38 has clearly violated a party's obligation under this section.

39 ~~N.~~ O. Immediately after a law enforcement officer receives the
40 final disposition of an appeal of a disciplinary action, the
41 administrative law judge, hearing officer or presiding authority shall
42 provide a final disposition report that includes the final decision and
43 any amended findings of fact to the law enforcement agency that initiated
44 or imposed the discipline.

1 ~~P.~~ P. A law enforcement agency that receives a final disposition
2 report shall include the final disposition report in the agency's original
3 investigation record. If the law enforcement agency provided a
4 prosecuting agency with information that was obtained during the
5 investigation of the law enforcement officer for the prosecuting agency's
6 rule 15.1 database AS DEFINED IN SECTION 38-1119, the law enforcement
7 agency shall forward the final disposition report to the prosecuting
8 agency.

9 ~~P.~~ Q. This section does not apply to a law enforcement officer who
10 is employed by an agency of this state as an at will employee.