



CLERGY PRIVILEGE

Pursuant to A.R.S. § 12-2233 and A.R.S. § 13-4062(3), in a civil or criminal action, a clergyman or priest may not be examined as a witness as to any confession made to him in his official capacity as a clergyman or priest, without the consent of the person making the confession.

DUTY TO REPORT ABUSE OF MINORS

A.R.S. § 13-3620 provides that any “person” who reasonably believes that a minor is or has been the victim of physical injury, abuse, child abuse, a reportable offense or neglect that appears to have been inflicted on the minor by:

1. other than accidental means, or
2. that is not explained by the available medical history as being accidental in nature, or
3. who reasonably believes there has been a denial or deprivation of necessary medical treatment or surgical care or nourishment with the intent to cause or allow the death of an infant,

shall immediately report or cause reports to be made of this information to a peace office or to child protective services, except if the report concerns a person who does not have care, custody or control of the minor, the report shall be made to a peace office only.

The term “person” means:

1. ...
2. Any... member of the clergy, priest or Christian science practitioner
3. ...
4. School personnel or...
5. Any other person who has responsibility for the care or treatment of the minor

EXCEPTIONS

A clergyman or priest that receives a confidential communication or confession in that person’s role as a clergyman or priest may withhold reporting of the communication or confession if the clergyman or priest determines that it is reasonable and necessary within the concepts of the religion.

A report is not required for conduct prohibited under the sexual abuse and sexual contact with a minor statutes if the conduct involves only minors who are fourteen, fifteen, sixteen or seventeen years of age and there is nothing to indicate that the conduct is other than consensual.

PENALTIES

A person who violates this section is guilty of a class 1 misdemeanor, except if the failure to report involves a reportable offense, the person is guilty of a class 6 felony.

RECORDING TELEPHONE CALLS

A.R.S. § 13-3005 permits the recording of telephone calls with the consent of at least one party to the telephone call.

COPYRIGHT LAW

The United States Copyright Act protects original works of authorship that are fixed in any tangible medium of expression, such as literary works;

musical works; dramatic works; pantomimes and choreographic works; pictorial, graphic and sculptural works; motion pictures and other audiovisual works; sound recordings; and architectural works. According to Section 201, ownership of the copyright vests initially in the author or authors of the work.

Section 106 provides that the owner of a copyright has the exclusive rights to do and to authorize any of the following:

1. reproduce copyrighted work,
2. prepare derivative works based upon the copyrighted work,
3. distribute copies of the work to the public,
4. perform copyrighted work publicly, and
5. display copyrighted work publicly.

Section 501 provides penalties for infringement that include, but are not limited to, an injunction to stop infringement, payment of monetary damages, statutory penalties, court costs and attorneys’ fees, and criminal charges.

Section 110 provides a “religious services” exception. It provides that performance of nondramatic literary or musical work or of a dramatico-musical work of a religious nature, or display of work, in the course of services at a place of worship or other religious assembly is not infringement. It is not infringement if the performance is not done with profit as the motive, without payment of a fee or other compensation to any of the performers, promoters, or organizers, and without a direct or indirect admission charge, or if admission is charged, the proceeds, after deducting reasonable costs, are used solely for educational, religious or charitable purposes.

EMPLOYMENT LAW

DISCRIMINATION IN EMPLOYMENT

The Arizona Civil Rights Act (A.R.S. § 41-1401 *et. seq.*) prohibits discrimination in employment on the basis of race, color, religion, sex, age, physical and mental disability or national origin. The Arizona Civil Rights Act also prohibits sexual harassment by all employers, regardless of size. However, the Arizona Civil Rights Act does not apply to religious organizations with respect to the employment of individuals of a particular religion to perform work connected with the carrying on of such an organization’s activities.

The term “employer” as used in the Arizona Civil Rights Act is defined as a person who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year.

THE EMPLOYMENT RELATIONSHIP

Pursuant to A.R.S. § 23-1501, the employment relationship in Arizona is “at-will,” meaning the relationship is severable at the pleasure of either the employee or the employer unless both the employee and the employer have signed a written contract to the contrary.

WAGES

The Arizona Wage Act (A.R.S. § 23-350 *et. seq.*) requires employers to pay wages to employees for services rendered. Wages must be paid at least twice a month, not more than sixteen days apart, on fixed paydays. Overtime pay must be paid no later than sixteen days after the end of the most recent pay period.

When an employee is discharged, he or she must be paid wages due him within three working days or the end of the next pay period, whichever is sooner. If any employee resigns, they must be paid no later than the next regular pay period during which the termination occurred. If requested by the terminated or resigning employee, wages must be paid by mail.

An employer may not withhold or divert any portion of an employee's wages unless (1) the employer is required or empowered to do so by state or federal law, (2) the employer has prior written authorization from the employee, (3) there is a reasonable good faith dispute as to the amount of wages due.

The Arizona Minimum Wage Act (A.R.S. § 23-362 *et. seq.*) covers all employers in the State of Arizona with the exceptions of (1) any person employed by a parent or sibling, (2) any person employed performing baby sitting services in the employer's home on a casual basis, (3) any person employed by the State of Arizona or the United States government, and (4) any person employed in a small business grossing less than \$500,000 in annual revenue, if that small business is not covered by the Federal Fair Labor Standards Act. Pursuant to the Arizona Minimum Wage Act, minimum wage will be increased on January 1 of successive years by the increase in the cost of living. Minimum wage for the State of Arizona is currently \$7.25 an hour.

WORKERS COMPENSATION

Pursuant to A.R.S. § 23-901 *et. seq.*, all employers must obtain workers' compensation insurance for their employees. The employer must carry workers' compensation insurance regardless of the number of workers or whether those workers are part-time, full-time, minors, aliens, or family members. Workers' compensation is not required for independent contractors, domestic servants or for a worker whose employment is both casual and not in the usual business of the employer.

MEMBERSHIP MEETINGS

Pursuant to A.R.S. § 10-3701, unless otherwise provided in the corporation's articles of incorporation or bylaws, the corporation must hold a membership meeting annually.

BOARD MEETINGS

The Board may take action at a regular or special meeting. Additionally, A.R.S. § 10-3821 allows the Board to take action without a meeting if the action is taken by all of the directors. The action must be evidenced by one or more written consents describing the action taken, signed by each director and included in the minutes filed with the corporate records reflecting the action taken.

BOARD DUTIES

A director is not liable for any action taken as a director or any failure to take any action if the director's duties were performed in compliance with A.R.S. 10-3830. A.R.S. 10-3830 provides that each director's duties are discharged if the director acts in good faith, with the care of an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director reasonably believes to be in the best interests of the corporation.

Additionally, the directors are protected by the "safe harbor" language included in A.R.S. 10-3830, which provides that a director's duties are discharged if they rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by any of the following:

1. One or more officers or employees of the corporation whom the director reasonably believes are reliable and competent in the matters presented.
2. Legal counsel, public accountants or other person as to matters the director reasonably believes are within the person's professional or expert competence.

3. A committee of or appointed by the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence.
4. In the case of corporations organized for religious purposes, religious authorities and ministers, priests, rabbis or other persons whose position or duties in the religious organization the director believes justify reliance and confidence and whom the director believes to be reliable and competent in the matters presented.

PROPERTY TAX EXEMPTION

Pursuant to A.R.S. § 42-11109, property or buildings that are used or held primarily for religious worship, including land, improvements, furniture and equipment, are exempt from taxation if the property is not used or held for profit. In order to obtain the exemption, the religious institution may have to notify the Assessor's office and submit an affidavit pursuant to A.R.S. § 42-11152, unless the religious institution is organized under 501(c)(3) of the internal revenue code, then such affidavit is not required.

Additionally, pursuant to A.R.S. § 42-11132, property, buildings and fixtures that are owned by a religious organization and are leased to a not for profit educational organization, institution or association are exempt from taxation if the property is used for educational instruction in any grade or program through grade twelve.

TAX EXEMPT STATUS

Pursuant to Section 501(c)(3) of the Internal Revenue Code, all religious and charitable organizations are exempt from Federal taxation (with the exception of unrelated business income). Additionally, pursuant to A.R.S. § 43-1201, all religious and charitable organizations are exempt from Arizona tax. Pursuant to Section 170 of the Internal Revenue Code, charitable contributions are tax deductible to the donor.

OVERTIME WAGES

The Federal Fair Labor Standards Act (FLSA) requires a 40 hour work week and overtime of 1.5 times pay for hours in excess of 40 in a week unless there is an exemption. The "Executive Exemption" requires that the employee must be paid a salary of at least \$455 per and have one or more of the following primary job duties:

1. Manage a company, division or department;
2. Direct the work of several other people; and
3. Have significant authority or influence over promotion, hiring and/or firing decisions.

Churches may also avoid overtime rules if the "Administrative Exemption", "Learned Professional Exemption", "Creative Professional Exemption", or the "Computer Professional Exemption" applies to a particular worker.