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ARIZONA CORPORATION COMMISSION

Office of General Counsel

October 22, 2026

RE: Public Records Limited Disclosure Waiver and Privilege Notification

The Arizona Corporation Commission (“Commission”) is releasing the investigative report in response to public-records requests from members of the media because the report became the basis for disciplinary action and the termination of a public employee and, as such, constitutes a public record subject to disclosure under Arizona law and applicable State personnel rules. The report was adopted by the employer as the disciplinary report. Although the investigation was conducted by counsel, the report was relied upon by the Commission to make its final employment decision and now serves as the disciplinary report supporting that action.

The Commission therefore has determined that the report should be produced in response to the pending public-records requests, subject to any redactions required by law to protect confidential, privileged, or private information. This disclosure is being made to satisfy the Commission’s obligations under Arizona’s public-records laws and in response to the media requests for the record and should not be construed as a waiver of attorney-client privilege or work-product protection as to any other privileged communications, legal advice, or materials.

In Arizona, there is a presumption of transparency. A.R.S. § 39-121. Disclosure is the norm, not the exception. Once requested, the Commission is obligated to promptly research, assemble and provide applicable non-privileged records. A.R.S. § 39-121.01(D). Pursuant to A.R.S. § 39-128(A), disciplinary records of a state employee “shall be open to inspection and copying.”

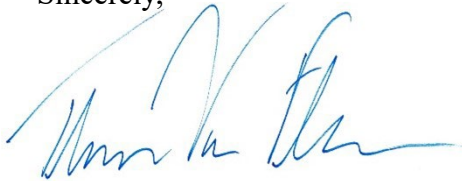
Finally, under A.A.C. R2-5A-105(D)(2)(g), state employee records that “are reasonably necessary or appropriate to maintain an accurate knowledge of the employee’s disciplinary actions” are subject to public records requests. The disciplinary report here is reasonably necessary to be public for an accurate record of what led to the termination. Courts have ruled that such investigatory reports are public records in Arizona. *Terry v. Maricopa Cnty. Cmty. Coll. Dist.*, No. CV-19-05754-PHX-DJH, 2021 WL 3491955, at *5 (D. Ariz. Aug. 9, 2021); *Carlson v. Pima County*, 141 Ariz. 487 (1984); *Cox Arizona Publications v. Collins*, 175 Ariz. 11 (1993); *Scottsdale Unified School District v. KPNX*, 191 Ariz. 297 (1998).

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ACC-10-2026-058-00001

The report's factual findings are not privileged. The recommendations of counsel are privileged, but in this case, because the recommendations are contained in the disciplinary report, they are being released but the Commission has not waived, and expressly reserves any and all privileges attached to all other records and information relating to this matter, apart from the Disciplinary Report being produced herewith under the narrow, and limited waiver discussed above.

Sincerely,



Thomas Van Flein, General Counsel
Office of General Counsel
tvanflein@azcc.gov

September 25, 2026

**PRIVILEGED AND CONFIDENTIAL
ATTORNEY-CLIENT COMMUNICATION AND ATTORNEY WORK PRODUCT**

VIA EMAIL ONLY
[\(dclark@azcc.gov\)](mailto:dclark@azcc.gov)

Mr. Douglas Clark
Executive Director
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

**Re: [REDACTED] Complaint of August 25, 2026
Investigation Report, Findings, and Recommendations**

Dear Mr. Clark:

This report presents the results of the investigation of the August 25, 2026 complaint of [REDACTED], an attorney in the Office of the General Counsel, against Laurie Woodall, Policy Advisor to Commissioner Márquez Peterson. It sets out the complaint and the scope of the investigation, the accounts of the witnesses interviewed, Ms. Woodall's refusal to be interviewed, the findings the record supports, the analysis of the Commission's exposure, and recommended action. This memorandum is prepared for the Commission as a confidential attorney-client communication and attorney work product and contains legal advice concerning the Commission's exposure.

EXECUTIVE SUMMARY

Following an investigation of [REDACTED] complaint against Laurie Woodall, the record supports these conclusions:

First, Ms. Woodall was insubordinate when she refused to participate in an investigative interview as directed in writing on September 14 and 17, 2026, by the Executive Director. This refusal violates A.A.C. R2-5A-501(A)(1), independent of the complaint's merits.

Second, Ms. Woodall's conduct in relation to [REDACTED] complaint violated state

employee conduct standards under A.A.C. R2-5A-501(A)(2), (A)(3), and (A)(4).

Third, this conduct, if unremedied, could expose the Commission to liability under the Americans with Disabilities Act and the Arizona Civil Rights Act. Any recurrence following [REDACTED] complaint would constitute actionable retaliation.

Fourth, discipline up to and including separation is warranted if determined by the Executive Director. The refusal to participate in the investigation and the underlying conduct each independently support discipline; separation is the only sanction that eliminates the risk of recurrence.

Fifth, the evidence does not establish that Commissioner Márquez Peterson knew of, condoned, or supported Ms. Woodall's conduct. The investigation did not examine any Commissioner's conduct, and no witness reported that a Commissioner directed or participated in it.

I. THE COMPLAINT AND THE INVESTIGATION

[REDACTED] applied to the Office of the General Counsel in late April or early May 2026, interviewed twice, and accepted an offer in May. He began work on July 6, 2026. Prior to receiving the offer, [REDACTED] disclosed that the State Bar of Arizona suspended him in May 2015 and reinstated him on November 12, 2020, after a formal hearing. He also disclosed that he completed a two-year probation with no remaining conditions on his license.

[REDACTED] complaint alleges that beginning in early August 2026, Ms. Woodall approached Commission staff and Commissioners to advocate for his termination due to the suspension, confronting people with materials about him. He attributes the suspension to a medical condition that had resolved by the time of his reinstatement. He characterizes Ms. Woodall's complaints about his suspension as harassment based on a record of disability under the Americans with Disabilities Act and the Arizona Civil Rights Act, and as a violation of Rule 2.5 of the Code of Ethics. He asks that the Commission investigate the complaint, direct Ms. Woodall in writing to stop, and take appropriate action.

On September 3, 2026, the undersigned informed Ms. Woodall that the Commission had received a written complaint from an employee regarding communications about that employee's employment, hiring, professional background, and fitness, specifically referencing [REDACTED] Ms. Woodall was instructed to preserve documents, refrain from further communications regarding [REDACTED] employment, and not retaliate, and was advised that she would have a full opportunity to provide her account. Preservation notices were sent to the other witnesses the same week.

Interviews began on September 14, 2026, with [REDACTED],

[REDACTED], and [REDACTED], and continued on September 18, 2026, with [REDACTED], [REDACTED], and [REDACTED]. [REDACTED] and [REDACTED] were interviewed on September 21, 2026. [REDACTED] was interviewed on September 22, 2026.

II. WITNESS ACCOUNTS.¹

A. [REDACTED]

[REDACTED] reported that he was not involved in [REDACTED] hiring and did not participate in the interviews. He reported that hiring in the Legal Division is the General Counsel's decision. [REDACTED] reported that [REDACTED] informed him of [REDACTED] suspension and reinstatement after the hire because [REDACTED] wanted him to be aware and because [REDACTED] was in good standing with the Bar; that [REDACTED] told him [REDACTED] had described in detail what had happened; and that [REDACTED] described the decision to hire [REDACTED] as a group decision. [REDACTED] reported that one reason [REDACTED] was hired is that he has accounting skills the department lacks.

[REDACTED] reported three unsolicited contacts by Ms. Woodall about [REDACTED] in the weeks after [REDACTED] started. According to [REDACTED] on the first occasion, Ms. Woodall walked into his office and told him that [REDACTED] was a bad hire, that it was an embarrassment to the office, that he did not deserve the position, and that [REDACTED] had done a poor job hiring him. [REDACTED] reported that he told her the hire was Mr. Van Flein's decision, and that she responded that it was a poor decision, that it was an embarrassment to the office, and that [REDACTED] should never have been hired. He reported that she offered no details beyond the fact of the suspension and that the conversation lasted three to five minutes. [REDACTED] reported that about three days later, in the hallway outside the Legal Division, Ms. Woodall pulled him aside and said she did not know what [REDACTED] was doing at the Commission given that his license had been suspended. Roughly a week after that, in the hallway by the drinking fountain, she told him she was beside herself that [REDACTED] was there. [REDACTED] reported that he did not engage in the merits on any of the three occasions. He reported that Ms. Woodall did not show him any documents, but that he saw her walking around the office with a folder in her hand and, in his words, telling anyone who would listen. He reported that he continued to hear of her complaints about the hire until the Commission's email concerning the investigation. [REDACTED] also reported that [REDACTED] and [REDACTED] told him, on the day of his interview, that Ms. Woodall had come into their office, complained at length about [REDACTED] hiring, described his bar suspension in detail, and said she did not understand why he had been hired.

¹ The witness accounts in this report are drawn from the witnesses' statements during their interviews. Some details, including dates, reflect the witnesses' recollections and have not been independently verified. All interviews, with the exception of [REDACTED], were conducted in person by Michael Zoldan and Lindsey Avalos. [REDACTED] interview was conducted solely by Michael Zoldan over Teams.

■■■■ also described a broader pattern. He reported that for roughly six weeks in late June and July, Ms. Woodall came to his office at least twice a week to tell him how bad various employees were, to complain about matters such as mail delivery, and to say that the Commission did not have qualified people to make decisions. He reported that on one occasion, after ■■■■ had been hired as ■■■■, Ms. Woodall came to him and said that “her Commissioner” wanted her to review ■■■■ resume; that he told her that was not her job; that she repeated that her Commissioner wanted her to do it; and that she took the resume, marked it up, brought it back with instructions to make changes, and, in his description, made it sound as though she believed ■■■■ had padded his resume. ■■■■ reported that he was skeptical that Commissioner Márquez Peterson had in fact asked Ms. Woodall to conduct a post-hire vetting of ■■■■.

■■■■ reported that shortly after ■■■■ was hired, as Ms. Woodall’s complaints about him came to a head. ■■■■, ■■■■ and ■■■■ came to his office and reviewed how the hire had come about: the team had interviewed a number of candidates, reviewed ■■■■ bar history in detail, and voted to hire him. ■■■■ reported that his view was that a person who had been reinstated for five or six years, had made mistakes, and had taken steps to correct them is probably a better hire than someone who has swept things under the rug, and that the question was whether ■■■■ was capable and qualified to do the job, which he was. He reported that in a hallway conversation after that meeting, ■■■■ told him he felt he was under attack and had done nothing wrong. ■■■■ reported that he and ■■■■ discussed ■■■■ and his performance about twice a week during this period, and that ■■■■ told him ■■■■ was doing fine, was learning, and was doing everything asked of him. ■■■■ reported that he was concerned about the effect of the situation on ■■■■ and asked him twice how he was doing, and that ■■■■ said he was okay. ■■■■ reported that ■■■■ did not ask for any accommodation, did not disclose any disability, and never indicated that he could not do the job without assistance, and that ■■■■ is always dressed appropriately and interacts appropriately.

B. ■■■■

■■■■ described the hiring process. He reported that the vacancy arose when an attorney left a couple of months earlier; that the state process requires a preapproved job description and a public posting, followed by a two- to three-week wait for applicants; that recruiting attorneys has been difficult because the pay range matches what associates earn out of law school; and that he wanted an attorney comfortable with numbers, which is an area his department could improve upon. He reported that he and ■■■■ conducted the first interview in person and thought it went very well; that candidates were narrowed based on resumes and first interviews; and that ■■■■ returned for a second interview and then a group interview, after which ■■■■ polled all of the attorneys, and everyone agreed

that [REDACTED] was the best candidate. According to [REDACTED], [REDACTED] disclosed the discipline during the interview phase, and the subject was likely discussed at length with [REDACTED] before the hire. [REDACTED] reported that he made the hiring decision, that the decision was unanimous, and that no one expressed discontent.

[REDACTED] reported that [REDACTED] provided the facts behind the suspension. As [REDACTED] understood them, [REDACTED] experienced a period of serious illness that impaired his ability to practice; client correspondence went unanswered; his marriage ended during the same period; and he did not participate in the disciplinary proceeding until near the end, during the mitigation hearing. [REDACTED] reported that [REDACTED] then focused on his health, was a stay-at-home father for several years, and returned to practice. [REDACTED] reported that he found the explanation candid and that if the State Bar has determined [REDACTED] is fit to practice, he had no reason to disagree with that decision. He reported that [REDACTED] had been back in practice for about six years and that he is not aware of any issue since the 2020 reinstatement. As to [REDACTED] first months on the job, [REDACTED] reported that [REDACTED] has been doing well, has been taking classes, attending open meetings and hearings, and trying hard; that [REDACTED] does not expect new hires to understand the Commission's work at the outset; and that there are no complaints about [REDACTED] ability to get along with others in the office.

[REDACTED] reported that he first learned of Ms. Woodall's objection roughly a month after the hire, when she came into his office holding a folder and asked whether he knew that [REDACTED] had been disbarred, or words to that effect. He reported that he told her the hiring team had known. According to [REDACTED], she said the hire was a stain on the Commission and asked what he was going to do about it. When he explained that [REDACTED] had been the best candidate, she told him that, in that case, he needed to do better. She asked whether he had read the material she was holding, and she said that [REDACTED] had had a mental breakdown, that he was not mentally able to work at the Commission, and that he was not fit to work there. [REDACTED] reported that she told him the hire was a mistake that he had to fix, and then left. He described her as furious when she arrived and as aggressive and angry throughout. He reported that [REDACTED] and [REDACTED] were within earshot of this exchange. He reported that Ms. Woodall did not mention anyone else sharing her view, that he understood her objection related entirely to the bar discipline, and that he did nothing immediately after the first interaction.

[REDACTED] reported that a day or two later, in the Commissioners' wing, he saw Ms. Woodall again with the folder; that she was still angry; and that she told him he had made a big mistake and that [REDACTED] was not qualified to work at the Commission. He reported that this exchange was shorter than the first. [REDACTED] reported a third occasion when he walked past Ms. Woodall while she was speaking with [REDACTED], a Legal Division employee, and heard her tell [REDACTED] that the hire was a big mistake, that it had to be fixed, and that something had to be done about it. He described Ms. Woodall as having her cornered.

He reported that he was surprised to see Ms. Woodall lobbying one of his own employees against a colleague, which he regarded as undermining [REDACTED] and as unprofessional. [REDACTED] also reported that Ms. Woodall regularly walks into his office, says things, then returns the next day to apologize, and that this is common with her.

[REDACTED] reported that he spoke with [REDACTED] at some point and learned that Ms. Woodall had also met with [REDACTED] and that he had spoken with [REDACTED] who was aware of her conduct. He reported that [REDACTED] was upset and agitated about Ms. Woodall's behavior. [REDACTED] reported that [REDACTED] had heard about the matter, though [REDACTED] did not know from whom, so he went to see how [REDACTED] was doing; that he told [REDACTED] that he had given up a job to come to the Commission and that having this happen in his first month was demoralizing; and that he told [REDACTED] he had no intention of firing him because he had done nothing wrong. He reported that he then took [REDACTED] to [REDACTED] office, the meeting described in [REDACTED] account, so that [REDACTED] could explain the background in his own words, and that the net result of that meeting was to reassure [REDACTED] that he was not going to be fired. [REDACTED] described what happened as disturbing, unfair, and unprofessional: in his words, lobbying to get an employee fired for something completely unrelated to his performance.

C. [REDACTED]

[REDACTED] has served as [REDACTED] and [REDACTED] of the Legal Division since May 2024, having come to the Commission from the Attorney General's Office after earlier service in the Commission's Securities Division. He reported that the [REDACTED] and [REDACTED] make hiring decisions in the Legal Division, that he weighs in on hiring, and that he participates in discipline decisions short of termination. He reported that for [REDACTED] position he wrote and posted the job description; that Human Resources screened the applications first; that he assisted with the screening and sent [REDACTED] a recommendation on whom to interview; that the position had been open for weeks to months; and that the applicant pool was thin. [REDACTED] a first interview with [REDACTED] and [REDACTED]; that [REDACTED] was brought back for a second, panel interview with the attorneys on hand, the paralegals, including [REDACTED] and one or two secretaries; and that everyone agreed to hire him. He reported that [REDACTED] disclosed his disciplinary history at the second interview and discussed it in more detail subsequently with [REDACTED]. [REDACTED] reported that, if the State Bar reinstated [REDACTED] he defers to the Bar's judgment, and that he reviewed the disciplinary record when the issue arose in August, which did not change his view of the hire.

[REDACTED] reported that he learned of Ms. Woodall's conduct from others rather than from Ms. Woodall herself. He reported that [REDACTED] told him that Ms. Woodall had come into the Legal Division unscheduled, with an armful of research and blunt remarks about [REDACTED] looking for [REDACTED] or [REDACTED], and that she had gone to [REDACTED]

area and begun talking to people in the office about what she thought was going on with [REDACTED] and his past bar issues. [REDACTED] reported that he later spoke with [REDACTED] who told him that Ms. Woodall had come into her area with a set of materials, apparently research about [REDACTED] and had wanted to know what [REDACTED] knew about it. He placed this in mid-August 2026. [REDACTED] reported that he understood Ms. Woodall wanted [REDACTED] fired, which he characterized as seeking a retroactive employment decision. He reported that he raised the matter with [REDACTED] the same day because he was concerned that the [REDACTED] had been approached about it, and that within a couple of days he, [REDACTED], and [REDACTED] met with the Executive Director so that [REDACTED] could hear [REDACTED] own account of his history directly. He reported that [REDACTED] described the personal circumstances behind the suspension at that meeting, and that it was clear to him that [REDACTED] and [REDACTED] had discussed the history before the offer.

[REDACTED] reported that [REDACTED] now believes everyone regards him as a horrible person and attorney, and that a cloud of suspicion hangs over him. [REDACTED] reported no concerns about [REDACTED] work. He described [REDACTED] as reliable, intelligent, and a hard worker, with limited litigation experience.

D. [REDACTED] [REDACTED].

[REDACTED] reported that he has been an attorney at the Commission for about a year, that he handles public records requests, that [REDACTED] assists him with that work, and that he has worked with [REDACTED] on several matters. He reported that [REDACTED] asked him to participate in the second group interview, to which everyone in the office was invited. According to [REDACTED] he had looked into [REDACTED] bar history himself before that interview. When [REDACTED] began to describe his background and the disciplinary matter during the interview, [REDACTED] told him that he did not care about the past and cared about what had brought [REDACTED] there. [REDACTED] reported that he knew [REDACTED] and [REDACTED] were aware of the bar history before the second interview.

[REDACTED] reported that he is impressed with [REDACTED] who asks the right questions, is detail-oriented, and takes advice and acts on it. He described [REDACTED] work so far as great.

[REDACTED] reported a professional and cordial relationship with Ms. Woodall, who had quizzed him about his background when he started and said he had never had a problem with her. He reported that several weeks after [REDACTED] was hired, Ms. Woodall entered the Legal Division, in his words, "on a mission," holding a folder, and said she had something to discuss with [REDACTED] and [REDACTED] regarding the attorney who had just been hired. He reported that she then began speaking with [REDACTED] and that he did not know what was said. [REDACTED] reported that a [REDACTED] later called him at home, upset; that she said she could not believe Ms. Woodall had done this and described the conduct as

unprofessional; and that [REDACTED] appeared to have heard more of the conversation with [REDACTED] and told him that Ms. Woodall had said the Commission should not be hiring someone who had bar discipline.

[REDACTED] reported that he was bothered because he believed Ms. Woodall should know better than to speak about another lawyer that way. He reported that he spoke with [REDACTED] who told him that Ms. Woodall had come to him four times about [REDACTED] hiring. [REDACTED] was bothered that she was going to the Executive Director about a hire the entire Legal Division supported. He reported that a few days after Ms. Woodall came in with the folder, he told [REDACTED] and, separately, [REDACTED] that he thought the conduct was unprofessional; that they agreed; and that he and [REDACTED] were concerned it violated the Commission's ethics policies and perhaps more. [REDACTED] reported no visible change in [REDACTED] and no personal knowledge of anyone treating him differently. He also reported that [REDACTED] had told him he was considering filing a complaint. He reported that Ms. Woodall's demeanor toward the Legal Division has changed: she used to come into his office to chat and no longer does.

E. [REDACTED]

[REDACTED] reported that he applied in late April or early May 2026 and was contacted within a few weeks for a first interview with [REDACTED] and [REDACTED] who told him they were seeking someone with a finance background. He reported that his undergraduate degree is in finance; that his practice had focused on tax planning, estate and conservatorship disputes involving business valuations, and business representation; and that he had worked regularly with accountants and financial experts. He reported that after the first interview he was told the field was being narrowed and was brought back for a second, group interview attended by [REDACTED], [REDACTED], and other members of the office. He received an offer about a week later, conveyed by [REDACTED], with a July 6 start date.

[REDACTED] reported that at the group interview he raised the fact that he had not practiced for a period of time, that the interview did not seem the right place to discuss it, and that no one seemed to care. He reported that [REDACTED] called him afterward to discuss the discipline; that [REDACTED] said he had read the suspension and reinstatement documents and wanted to know what else had happened; and that [REDACTED] explained it in detail. According to [REDACTED], [REDACTED] told him he had represented lawyers in disciplinary matters, understood, and asked whether any reinstatement condition would prevent [REDACTED] from working at the Commission. [REDACTED] reported that he was reinstated on a two-year probation, which he completed, and that his license carries no other conditions. He reported that [REDACTED] told him he was offering him the job and would be talking to [REDACTED] about it, and that [REDACTED] had returned to practice before applying to the Commission.

[REDACTED] described at length the medical history underlying the suspension. He

reported a serious illness that began around 2010, worsened over several years, and progressively impaired him; that as it worsened, he stopped taking new cases and refunded fees; that he did not participate in the disciplinary proceeding at the time; and that he attended the March 2015 mitigation hearing, expecting to be disbarred, so the Bar would see that there was a real person behind the file. He reported that he later retained counsel and was reinstated in November 2020, before the five-year point at which he would have had to retake the bar examination. He reported that it took considerable time to reach the point where he could talk about that period, and he summarized his current condition by saying that the disability does not exist today.

██████████ reported two interactions with Ms. Woodall, neither substantive, and stated that he has never worked with her on any matter. He reported that the first, on the day of the meeting in ██████████ office, was a brief introduction at his door, and that the second, sometime between that meeting and the Thursday before he filed the complaint, consisted of Ms. Woodall coming into the Legal Division, asking where her lawyers were, and, as she passed him, asking whether he knew anything about the Gila River litigation, then saying it was a rhetorical question. He reported that everything he knows about what Ms. Woodall has said about him comes from others at the Commission. ██████████ reported that in early August, ██████████ came to his office and told him they had to see the Executive Director because someone believed, based on ██████████ past, that he should not be working at the Commission; that in ██████████ office he was asked to go into his history in more detail; and that both ██████████ and ██████████ told him he had been hired because he was needed and was the best person for the job, which ██████████ believed was sincere.

██████████ reported that before that meeting, he understood that Ms. Woodall did not think he should be working at the Commission, believed he should never have been hired, and had been telling people so. He reported that on the Thursday or Friday before he filed the complaint, ██████████ came to him again and told him that Ms. Woodall apparently had a dossier on him. He reported that he learned from ██████████ who was present at the meeting in ██████████ office, that Ms. Woodall had said he had turned the Commission into a laughing stock and was a permanent stain on it, and that ██████████ told him that what had happened was totally inappropriate. ██████████ reported that since filing the complaint, he has heard nothing further about Ms. Woodall's activities, is not aware of anyone new being approached, and has heard no other gossip.

██████████ reported no retaliation by anyone and described ██████████, ██████████ and ██████████ as fantastic throughout the process. He reported that he is not aware of anyone in his chain of command adopting Ms. Woodall's views, that everyone in the office has been professional toward him, and that if there is gossip, he does not care about it. When asked whether he needs an accommodation, he reported that he does not want to be treated differently because of a disability that, in his words, does not exist today; he was told to make any request for an accommodation known to outside counsel or to his chain of command. He reported that

after filing the complaint, he consulted a lawyer in an advisory capacity and has him on standby but has not retained him. When asked what he wants from the investigation, [REDACTED] reported that he wants the conduct to stop; that he does not know what should happen from a human resources standpoint; that he does not want Ms. Woodall fired; that he wants to do his job well and go home; and that he would welcome an opportunity to tell people his story, because there is a story behind it.

F. [REDACTED]

[REDACTED] reported two contacts with Ms. Woodall regarding [REDACTED]. He reported that the first occurred shortly after [REDACTED] was hired: Ms. Woodall came in and asked whether he knew about the attorney who had just been hired, and then whether he knew that the attorney had been suspended by the State Bar. She said she was alarmed that [REDACTED] and [REDACTED] would hire someone with that history, and, in his words, she was fired up. [REDACTED] reported that the second contact was a rehash of the first, that it occurred two or three weeks before his September 21 interview, and that there was a big gap between the two.

G. [REDACTED]

[REDACTED] reported that she has been with the Commission for almost thirty years and that her title is [REDACTED]. She reported that she learned of [REDACTED] hiring from the Commission's announcement email, has not worked with him one-on-one, and has no concerns about working with him.

[REDACTED] reported that she has known Ms. Woodall for twenty years, has always gotten along with her, and that Ms. Woodall comes to her for things she may need. She reported a single interaction with Ms. Woodall about [REDACTED]. According to [REDACTED] Ms. Woodall walked into her office with a stack of papers and asked when [REDACTED] hire date was. [REDACTED] told her he had already been working for a few weeks. [REDACTED] reported that Ms. Woodall said [REDACTED] had discipline at the State Bar, that she was going to tell her Commissioner about it, that she does her own background checks, and that the papers were his disciplinary record. [REDACTED] reported that Ms. Woodall had come to the Legal Division looking for [REDACTED] and [REDACTED], and, not finding them, vented to her; that she told Ms. Woodall she would let [REDACTED] and [REDACTED] know Ms. Woodall was looking for them; and that that was the end of it. She reported that she was unsure who else was in the office at the time and thought that [REDACTED] and possibly [REDACTED] may have been. [REDACTED] reported that a day or so later she told [REDACTED] and [REDACTED] about the visit, and that they responded that they knew about the disciplinary history and were not concerned. She reported that she is not concerned about the hire because [REDACTED] and [REDACTED] are very good at what they do, and if they vetted [REDACTED] that is good enough for her.

H. [REDACTED]

[REDACTED] [REDACTED] reported that she had no knowledge of the matter and did not describe any contact with Ms. Woodall regarding [REDACTED] [REDACTED]

I. [REDACTED]

[REDACTED] [REDACTED] reported that she was not part of the interviews for [REDACTED] [REDACTED] position. She reported that she has interfaced with [REDACTED] [REDACTED] but has not worked with him on a matter; that he has come to her with questions; that she has seen him speak on one or two legal issues and he appeared very competent; and that every interaction she has had with him has been good.

She reported having no knowledge of [REDACTED] [REDACTED] disciplinary history with the State Bar beyond what she heard from Laurie Woodall. Ms. Woodall, whom [REDACTED] [REDACTED] has known for many years and considers a friend, reportedly questioned why [REDACTED] [REDACTED] worked at the Commission given his history. [REDACTED] [REDACTED] responded that she knew nothing about it and that he appeared competent. [REDACTED] [REDACTED] recalled that Ms. Woodall briefly raised the issue in her office and possibly discussed it with her in the hallway, where [REDACTED] [REDACTED] was present. According to [REDACTED] [REDACTED] Ms. Woodall said she did not know why [REDACTED] [REDACTED] had been hired, wondered whether [REDACTED] [REDACTED] knew of his disciplinary history, and said the documents raised questions about [REDACTED] [REDACTED] ability. Ms. Woodall also asked whether [REDACTED] [REDACTED] had participated in the hiring process and showed her paperwork that appeared to concern disciplinary action. [REDACTED] [REDACTED] described Ms. Woodall as focused and somewhat concerned. Ms. Woodall said she did not know what she would do, that she had or would raise the issue with her Commissioner, and that she might ask [REDACTED] [REDACTED] about it.

[REDACTED] [REDACTED] could not recall exactly when the conversation occurred. She believed it was before the preservation notice, likely in August.

III. MS. WOODALL'S REFUSAL TO BE INTERVIEWED

Ms. Woodall was asked to schedule her interview through outside counsel's office but did not do so. On September 14, 2026, the Executive Director wrote to her, copying Commissioner Márquez Peterson, stating that he understood she had refused to participate in the investigation conducted by outside counsel, that participation in the investigative interview was mandatory, that the interview concerned issues directly related to her conduct as a Commission employee, and that she should contact outside counsel's office to schedule. Ms. Woodall replied the same day that, when she was apprised of the allegations against her and of whom they had been addressed, she would reconsider the matter and potentially consult legal counsel; that, depending on the nature of the allegations, she might request that the Commission appoint her counsel; and that she would appreciate the justification for the

statement that participation was mandatory.

On September 17, the Executive Director wrote that the Commission may require its employees to participate in workplace investigations and that the requirement applied here; that the interview concerned the matters described in the September 3 preservation notice; that she could be accompanied by counsel of her choice at her own expense and that the Commission would not appoint counsel; that she should contact outside counsel's office by close of business on September 18 to schedule; and that if counsel did not hear from her, the Commission would treat it as a refusal to participate, which could result in discipline. Ms. Woodall replied that afternoon that she had not been provided with the complaint against her; that, as she had said previously, she might reconsider her position if she were provided with it; that the statements in the preservation notice were inadequate to give her notice of the allegations; that treating a failure to contact counsel by September 18 as a refusal was incorrect because she had asked for more information that had not been provided; and that the reference to discipline was "puzzling," and she asked for its basis. On the morning of September 18, Commissioner Márquez Peterson, who had been copied on the exchange, wrote to Ms. Woodall and the Executive Director that she had received communication from outside counsel regarding the allegations; that she had asked Ms. Woodall whether she had received a copy of the allegations, and Ms. Woodall said she had not; that she had asked whether [REDACTED] [REDACTED] had received them; and that receiving a copy of the complaint before being required to participate in an interview seemed reasonable to her.

The complaint was not provided. The September 3 notice informed Ms. Woodall of the subject matter and stated that she would hear the substance of the allegations at the interview and would have a full opportunity to respond before any conclusion was reached. On September 18, the Executive Director confirmed the instruction to schedule in writing and explained why the complaint would not be released in advance.

Ms. Woodall replied on September 18. She formally requested that the Executive Director retain independent counsel for her at the Commission's expense. She asserted that his earlier statement that the Commission would not do so suggested prejudgment and potential bias, and that disclosing the complaint to Commission officers but not to her meant the process was neither equitable nor in accordance with due process and fundamental fairness. She expressed concern for her professional reputation. She stated that unless she was appointed counsel, she declined to participate in any interview pending her review of her legal options, and that she would not agree to an interview until she had legal advice from appointed or privately retained counsel. As of the date of this report, she has not scheduled an interview.

IV. FINDINGS

The findings below are based on the witness accounts and documents described above. Ms. Woodall did not provide an account, and the findings are subject to revision if she does.

First, [REDACTED] disclosed his 2015 suspension and 2020 reinstatement before he was hired. [REDACTED], [REDACTED], [REDACTED] and [REDACTED] each reported that the disciplinary history was disclosed and discussed before the offer; [REDACTED] reported that he discussed it with [REDACTED] in detail; [REDACTED] reported that he had looked into it himself before the group interview; [REDACTED] reported that a panel member knew of the suspension before the hire and that a report was pulled; and [REDACTED] and [REDACTED] each reported that the hiring decision was unanimous. No witness contradicted this.

Second, in the weeks after [REDACTED] started work, Ms. Woodall repeatedly and without invitation raised [REDACTED] suspension with the Executive Director, the General Counsel, and Legal Division staff. She said he should never have been hired, that the hire was an embarrassment and a stain on the Commission, and that it had to be fixed. This finding rests on firsthand accounts from [REDACTED] (three contacts), [REDACTED] (three, including one in his office with a folder of material and another in which she was speaking with a member of his staff), [REDACTED] (one, with a stack of papers she described as his disciplinary record), [REDACTED] (two), [REDACTED] (one, in her office, with paperwork Ms. Woodall said was a disciplinary action), and [REDACTED] (her arrival in the Legal Division with the folder), as well as on what [REDACTED] told [REDACTED] what [REDACTED] told [REDACTED] and what [REDACTED] and [REDACTED] told [REDACTED] when interviewed, reported no knowledge of the matter; [REDACTED] account of what she told him is credited because it is consistent with the accounts of [REDACTED] and [REDACTED] of the same visit. The accounts are consistent with one another and with the complaint. Ms. Woodall has offered no explanation.

Third, [REDACTED] reported that Ms. Woodall told him that [REDACTED] had a mental breakdown, was not mentally able to work at the Commission, and was not fit to work there. This is the only account in which Ms. Woodall referred to [REDACTED] health rather than to the suspension. [REDACTED] reported that [REDACTED] and [REDACTED] were within earshot; [REDACTED] described only her own interaction with Ms. Woodall, and [REDACTED] was not asked about it. On [REDACTED] specific account, which was found to be credible and is not contradicted by any other witness, the statement is found to have been made.

Fourth, Ms. Woodall has no supervisory or personnel authority over [REDACTED] and has never worked with him on any matter. No witness identified any professional basis for her involvement in his hiring or employment. No witness reported that any Commissioner directed or joined in the conduct; [REDACTED] reported that she named no one who shared her view; and her statements to [REDACTED] that she conducts her own background checks and was going to tell her Commissioner, and to [REDACTED] that she did not know what she was going to do and either had raised or was going to raise it with her Commissioner, without more, indicate that she was acting on her own initiative.

Fifth, the material Ms. Woodall carried was, by her own account to [REDACTED] and

██████████ State Bar disciplinary record, which she said she had obtained through her own background check. No witness reported that she showed the material to them or that it contained any Commission records. On this record, the material was the public disciplinary record.

Sixth, the conduct toward ██████████ was part of a broader pattern. ██████████ reported that Ms. Woodall made regular complaints about other employees over several weeks and that she conducted an unsolicited review of a newly hired ██████████ resume. ██████████ reported that she regularly comes into his office, says things, and returns the next day to apologize. Regarding manner, ██████████ described her as furious, aggressive, and angry; ██████████ described her as fired up; ██████████ described her as on a mission; and ██████████ who has known her for a very long time, described her normal demeanor with some concern in her voice. ██████████ (as reported by ██████████ and ██████████ each described the conduct as unprofessional.

Seventh, ██████████ reported no retaliation and full support from his chain of command. No witness described any communication by Ms. Woodall concerning ██████████ after the September 3 directive. ██████████ placed his second conversation with Ms. Woodall approximately two or three weeks before his September 21 interview; he did not provide a date, and the record does not establish whether that conversation preceded or followed the directive. ██████████ reported that he continued to hear about her complaints about the hire until the Commission's email concerning the investigation.

Eighth, Ms. Woodall was directed in writing on September 14 and again on September 17 to participate in an interview concerning her conduct. She was informed of the subject matter, assured she would have a full opportunity to respond, and told that failing to schedule the interview could be treated as a refusal subject to discipline. She declined to participate unless the Commission provided her counsel. The complaint's subject matter was also provided to her in writing, and she was told she could respond to any allegation before conclusions were reached and bring her own counsel.

V. ANALYSIS

A. GOVERNING RULES

██████████ complaint characterizes the matter as a Rule 2.5 complaint against Ms. Woodall. Under the Code of Ethics, that characterization is imprecise. Rule 2.5 provides that "Commissioners shall not with corrupt, malicious, unscrupulous, unethical, or intimidating intent use their political influence or position to cause the firing, promotion, or demotion of any Commission employee or the hiring or failure to hire any applicant for employment with the Commission."

The Code is written for Commissioners. Its preamble describes it as establishing “the moral duties and obligations of Commissioners”; Rule 2.5 and nearly every other operative rule are addressed to Commissioners; the Code of Conduct in Attachment A describes itself as an advisory document for Commissioners; and the comment to Rule 8.1 describes the complaint process in terms of a complaint against a Commissioner.

The Code does, however, contain language that reaches others. Rule 3.2 prohibits any “Commission employee” from using speech intended to attack, harass, or impugn another Commission employee, but only “during any public meeting or proceeding before the Commission.” The comment to Rule 7.3 extends the ex parte rule to “the Commissioner’s policy advisors and interns,” the one place the Code names Ms. Woodall’s position, and it does so only for ex parte communications. And the glossary to the Code of Conduct states the Commission’s policy that it “will not tolerate discrimination or verbal or physical conduct by any person which harasses, disrupts, or interferes with another person’s work performance or which creates an intimidating, offensive, or hostile environment.” Decision No. 78040, Attachment A at 7. Rule 2.5’s applicability to Ms. Woodall is, at best, attenuated.

On the Section IV findings, Rule 2.5 has little application. It reaches a Commissioner who uses “political influence or position,” with a listed intent, to cause an employee’s firing. But no witness reported that a Commissioner directed or joined Ms. Woodall’s conduct; Ms. Woodall identified no one to [REDACTED] as sharing her view; and her statements to [REDACTED] that she conducted her own background checks and would inform her Commissioner indicate that she acted independently. Even if Rule 2.5 reaches an advisor who invokes her Commissioner’s position, Ms. Woodall’s sustained effort to have a colleague removed over a resolved disciplinary matter, including contacting his supervisors and co-workers, could be deemed “malicious” or “unethical” under the rule’s definitions. Its statutory source, however, suggests a narrower reach: A.R.S. § 41-753(F) applies to an “elected or appointed official” acting “with corrupt intent,” while § 41-753(C), the only subsection covering a state-agency employee, prohibits furnishing “special or secret information” to affect employment prospects, conduct not implicated where the material was the public State Bar record. Thus, the Code expresses the Commission’s policy against harassing its employees but does not provide the operative rule for Ms. Woodall’s conduct.

Ms. Woodall’s conduct is governed by the State Personnel System’s standards of conduct. She is a state employee within that system: the personnel statutes exclude elected officials but expressly “do[] not include the employees of elected state officers unless expressly provided,” A.R.S. § 41-742(D)(1), and the only exemption for a Commissioner’s direct reports is from open-competition and political-affiliation rules, A.R.S. § 41-742(F)(2). The Commission has no standalone personnel policy beyond the statement of policy in the Code of Conduct quoted above. The Commission’s own Code cites A.A.C. R2-5A-501 as the source of Rules 2.4 and 5.3 and reproduces it in the Code of Ethics Appendix. Decision No. 78040, App-258.

Under A.A.C. R2-5A-501(A), a state employee “shall at all times” comply with “agency policies and directives”; “[m]aintain high standards of honesty, integrity, and impartiality, free from personal considerations or favoritism”; “[b]e courteous, considerate, and prompt in interactions with and service to the public and other employees”; and “[c]onduct himself or herself in a manner that will not bring discredit or embarrassment to the state.” Under R2-5A-501(B)(1), an employee shall not use “confidential information for personal advantage.” An employee who violates these standards “may be disciplined or separated from state employment.” R2-5A-501(C). Ms. Woodall is an at-will, uncovered employee. A.R.S. §§ 41-741(2), 41-742(A)(1).

The complaint also invokes the ADA and the Arizona Civil Rights Act, which define disability to include a record of an impairment and being regarded as having one. 42 U.S.C. § 12102(1)(B), (C); A.R.S. § 41-1461.

B. THE STATE STANDARDS OF CONDUCT.

Ms. Woodall is an uncovered, at-will state employee. A.R.S. §§ 41-741(2), 41-742(A)(1). An uncovered employee serves at the pleasure of the appointing authority and may be disciplined or separated for any reason or for no reason, subject only to the prohibition on unlawful reasons. She has no property interest in continued employment, no contractual right to her position, and no right to any particular process before discipline or separation, A.R.S. § 41-742(H); *Carroll v. Robinson*, 178 Ariz. 453, 458, 874 P.2d 1010, 1015 (App. 1994); *Portman v. County of Santa Clara*, 995 F.2d 898, 904 (9th Cir. 1993), and the pre-discipline procedures of the personnel rules apply only to covered employees. The Commission therefore does not need to find a violation of the standards of conduct, or of anything else, to discipline or separate her. The standards still matter because an at-will employee may claim that the action’s actual reason was unlawful; a documented violation defends against that claim. Those claims are addressed in Section V.G. The following analysis establishes that the Commission has cause, not that it needs cause.

The standards of conduct in A.A.C. R2-5A-501 apply to Ms. Woodall as to any other Commission employee, and the Commission has no standalone personnel policy that modifies them. The Commission’s stated policy that it will not tolerate conduct by any person that harasses, disrupts, or interferes with another person’s work performance is an agency policy within R2-5A-501(A)(1) and reinforces the standards that follow.

Three of those standards are directly implicated. R2-5A-501(A)(2) requires an employee to “[m]aintain high standards of honesty, integrity, and impartiality, free from personal considerations, or favoritism.” R2-5A-501(A)(3) requires an employee to “[b]e courteous, considerate, and prompt in interactions with and serving the public and other employees.” R2-5A-501(A)(4) requires an employee to “[c]onduct himself or herself in a

manner that will not bring discredit or embarrassment to the state.” Measured against those standards, the conduct found in Section IV violates each of them.

Ms. Woodall had no role in [REDACTED] hiring or supervision and no professional reason to be involved. She went, uninvited and repeatedly, to the [REDACTED] and the [REDACTED] to say that the hire had to be undone, or words to that effect. When they did not act, she told the [REDACTED] that he needed to do better and that the mistake had to be fixed. She carried material she described as his disciplinary record through the Legal Division and raised it with the [REDACTED] and other staff. The purpose and effect of the conduct was to undermine a hiring decision already made, on the premise, stated expressly to the [REDACTED] and implicitly to everyone else, that a reinstated lawyer was unfit because of circumstances that preceded his reinstatement. The [REDACTED] described her demeanor as aggressive and angry, and [REDACTED] described her as fired up. She did this among the people [REDACTED] works with, within weeks of his arrival. That is not courteous or considerate conduct toward another employee; it is not impartial conduct free from personal considerations; and lobbying an office to remove a colleague over a resolved disciplinary matter the hiring authority had already considered discredits the agency. The statement that [REDACTED] had had a mental breakdown and was not mentally fit to work there aggravates each of these.

One further provision was considered. R2-5A-501(B)(1) prohibits an employee from using “confidential information for personal advantage.” Ms. Woodall told the [REDACTED] that the papers she was carrying were [REDACTED] State Bar disciplinary record and that she conducts her own background checks. No witness reported anything from Commission records, and the record does not establish that she possessed any confidential information about [REDACTED]. On that record, (B)(1) is not implicated.

The consequence available to the Commission is set by R2-5A-501(C): an employee who violates the standards “may be disciplined or separated from state employment.” For the reasons stated at the start of this section, the Commission may impose any level of discipline up to separation. Nothing about the reason here, misconduct toward a co-worker and refusal of a lawful directive, is unlawful.

C. EXPOSURE UNDER THE ADA AND THE ARIZONA CIVIL RIGHTS ACT.

[REDACTED] complaint asserts that Ms. Woodall’s conduct constitutes disability harassment under the ADA and the Arizona Civil Rights Act and that the Commission is exposed if it fails to act. The ADA defines disability to include “a record of” an impairment and “being regarded as having such an impairment,” 42 U.S.C. § 12102(1)(B), (C). An individual is regarded as having an impairment if subjected to a prohibited action “because of an actual or perceived physical or mental impairment whether or not the impairment limits or is perceived to limit a major life activity,” § 12102(3)(A). The Arizona Civil Rights Act mirrors

that definition. A.R.S. § 41-1461. The Ninth Circuit has now squarely held that a hostile work environment claim is available under the ADA. *Mattioda v. Nelson*, 98 F.4th 1164, 1173-74 (9th Cir. 2024). To state the claim, the employee must show that he “was subjected to harassment because of his disability, and that the harassing conduct was sufficiently severe or pervasive to alter the conditions of [his] employment and create an abusive work environment.” *Id.* at 1174 (internal quotation marks and citation omitted). Because the claim is modeled on Title VII, the Title VII rules on employer responsibility for co-worker harassment apply as well.

Regarding the first element, most statements attributed to Ms. Woodall concern the suspension and the hiring decision, and, standing alone, they could support an argument that her objection was to a disciplinary record rather than a disability. However, [REDACTED] reported that Ms. Woodall told him [REDACTED] had had a mental breakdown and was not mentally able or fit to work at the Commission. Those statements suggest that she regarded him as unfit because of a mental impairment. On that basis, exposure is possible under the “regarded as” theory, and under the “record of” theory as well if the disciplinary record she relied on discloses the medical basis for the suspension, which has not been confirmed.

As to the second element, the conduct spanned roughly six weeks, was directed almost entirely at [REDACTED] supervisors and colleagues rather than at him ([REDACTED] thought [REDACTED] may have been in the office when Ms. Woodall came in, but no witness reported that Ms. Woodall addressed him), and produced no change in his assignments, pay, standing, or treatment by his chain of command. He had two brief, non-substantive interactions with Ms. Woodall and learned of her conduct secondhand. Although conduct that pervades a workplace can contribute to a hostile environment even when it is not directed at the plaintiff, *McGinest v. GTE Service Corp.*, 360 F.3d 1103, 1117 (9th Cir. 2004), the Ninth Circuit assesses severity and pervasiveness from the totality of the circumstances, including “the frequency of the discriminatory conduct; its severity; whether it is physically threatening or humiliating, or a mere offensive utterance; and whether it unreasonably interferes with an employee’s work performance,” *Mattioda*, 98 F.4th at 1176 (quoting *Faragher v. City of Boca Raton*, 524 U.S. 775, 787-88 (1998)). A campaign to have an employee fired, conducted among his co-workers and described by them as unprofessional, is not trivial, and [REDACTED] reports real distress. But the Commission has a fair argument that a few weeks of conduct by a single employee with no authority over him, met with consistent support from his supervisors, did not alter his employment conditions.

Employer responsibility cuts both ways. When the harasser is merely a co-worker, the plaintiff must prove that the employer was negligent, i.e., that the employer knew or should have known of the harassment but did not take adequate steps to address it. *Swinton v. Potomac Corp.*, 270 F.3d 794, 803 (9th Cir. 2001). The Commission responded promptly: it issued the written directive regarding preservation and outside counsel within nine days of the complaint. The investigation followed immediately, and no witness described any recurrence after the

directive. Arguably, there is some exposure in what preceded the complaint. The [REDACTED] received three approaches from Ms. Woodall in the weeks after [REDACTED] started, and the [REDACTED] received three in early August, including one in front of staff. Both reassured [REDACTED] and concluded the conduct was unprofessional, but neither reported directing Ms. Woodall to stop, and the [REDACTED] may be accused of not escalating quickly enough. The first corrective step directed at Ms. Woodall came on September 3, after [REDACTED] put his complaint in writing. [REDACTED] would argue that management knew for six weeks and took no action against the harasser until his complaint forced it. The Commission's answer is that the conduct was directed at management, that management refused to act on it and informed [REDACTED] and that once the conduct was framed as harassment of him rather than criticism of a hiring decision, the Commission acted within days.

The complaint's remaining theories add little. The Employment Protection Act, A.R.S. § 23-1501, provides a claim for termination in violation of a state statute; [REDACTED] has not been terminated. Tortious interference under *Wagenseller v. Scottsdale Memorial Hospital*, 147 Ariz. 370, 710 P.2d 1025 (1985), which the complaint cites, would be a claim against Ms. Woodall personally and requires improper interference that causes a breach or termination of the relationship. No termination has occurred, and the hiring authority rejected her demands. A claim for intentional infliction of emotional distress requires extreme and outrageous conduct, an intent to cause emotional distress or reckless disregard of the near certainty that it will result, and severe emotional distress, *Ford v. Revlon, Inc.*, 153 Ariz. 38, 43, 734 P.2d 580, 585 (1987), and the conduct must be "so outrageous in character, and so extreme in degree, as to go beyond all possible bounds of decency, and to be regarded as atrocious and utterly intolerable in a civilized community," *Cluff v. Farmers Insurance Exchange*, 10 Ariz. App. 560, 562, 460 P.2d 666, 668 (1969). These ancillary claims do not generate meaningful exposure for the Commission on the present facts.

D. RETALIATION

Retaliation is the only form of exposure that does not depend on any of the foregoing analysis. [REDACTED] filing of the complaint was protected activity. The ADA provides that "[n]o person shall discriminate against any individual because such individual has opposed any act or practice made unlawful by this chapter or because such individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this chapter." 42 U.S.C. § 12203(a). The Arizona Civil Rights Act contains the same prohibition. A.R.S. § 41-1464(A). A retaliation claim does not require that the underlying complaint be meritorious; it requires a "reasonable, good-faith belief" that the complained-of conduct was unlawful.

The Commission is on notice. It has the complaint, the accounts of the witnesses interviewed, and Ms. Woodall's refusal. If she resumes talking to staff about [REDACTED] or takes any new step against him, the Commission cannot say it did not know what she was

doing or lacked the means to stop her. The conduct that would count as retaliation is exactly the conduct already described. Done before the complaint, it is a standards-of-conduct violation with a contested harassment theory attached. Done again after the complaint, it is retaliation, and the harassment theory no longer has to be won. The risk of recurrence is not speculative and is the Commission's principal future exposure. The witnesses who described Ms. Woodall's manner, from different vantage points, reported the same disposition: [REDACTED] reported that she came to his office at least twice a week for six weeks about other employees and that he continued to hear of her complaints about the hire until the Commission's email concerning the investigation; [REDACTED] reported that she walks into his office regularly, says things, and apologizes the next day; [REDACTED] reported that she raised the hire with him a second time after a considerable gap; and [REDACTED] reported that [REDACTED] told him she had come to him four times. Nothing in the record suggests that she can be relied on to stay quiet on her own. That bears directly on the choice of discipline. A sanction that leaves her in place leaves the Commission carrying the risk that she resumes, and if she does, the Commission answers for it with knowledge it cannot deny. If the matter closes with her having refused to participate and nothing happening to her, the lesson she takes is that the directive had no consequence. Separation is the only outcome that removes the risk entirely. Whether to take it is the Commission's decision, and Section VI sets out the considerations that weigh against it.

E. THE REFUSAL TO PARTICIPATE IS A SEPARATE VIOLATION

The state personnel rules contain no provision that, in terms, compels an employee to sit for an investigative interview. The obligation arises instead from the employer's directive. R2-5A-501(A)(1) requires every state employee, at all times, to "[c]omply with federal and state laws and rules, statewide policies and employee handbook, and agency policies and directives." When an official with authority over the employee directs her to participate in an interview about her own workplace conduct as a condition of her employment, that directive is lawful, and a refusal to comply constitutes a failure to comply with an agency directive under R2-5A-501(A)(1). The violation is complete upon refusal. It does not depend on the merits of the underlying complaint, on what the employee would have said, or on whether the investigation could be completed without her. It is independently sanctionable under R2-5A-501(C), and for an uncovered employee, no pre-discipline procedure applies. Insubordination of this kind is, by itself, a sufficient basis for separating an at-will employee, and it would remain so even if every other finding in this report were set aside.

The Executive Director had authority to issue the directive. The Commission appoints him and, as directed by it, "[s]upervise[s] and administer[s] the overall activities of the commission divisions and employees." A.R.S. § 40-105(B)(2). That authority extends to all Commission employees; the statute carves out no one's staff. The personnel rules define "agency head" as "the chief executive officer of a state agency, or designee," A.A.C. R2-5A-101. For a body that acts by majority, the Executive Director is the Commission's designee for

administration. A Commissioner supervises her own advisor's daily work, but a supervisor's authority over daily work does not displace the agency's authority to require compliance with agency-wide directives, and nothing in Title 40 or Title 41 exempts a Commissioner's staff from those directives. Commissioner Márquez Peterson's September 18 email expressed a view on whether the complaint should be provided before the interview; it did not purport to countermand the directive, and the directive remained in force. The September 3 notice and the September 14, 17, and 18 instructions to schedule the interview were valid exercises of the Executive Director's authority.

The record of the refusal is complete. Ms. Woodall was told in writing on September 3 that the Commission had received a written complaint concerning communications about an employee's employment, hiring, professional background, and fitness, specifically about [REDACTED] that she was to preserve documents, refrain from further communications, and not retaliate; and that she would have a full opportunity to provide her account. She was told on September 14 that participation was mandatory; on September 17 that the interview concerned the matters described in the September 3 notice and that a failure to schedule would be treated as a refusal that could result in discipline; and on September 18 that she would be able to respond to any allegation before any conclusion was reached. She has been told that the Commission will not retain counsel for her and that she may retain her own. She responded, in writing, that she declines to participate unless the Commission appoints counsel for her. Her September 17 request for the basis of the reference to discipline is answered by R2-5A-501(A)(1) and (C). Nothing further is required to establish the violation. The refusal to participate amounts to blatant insubordination of the agency's leadership.

F. MS. WOODALL'S EXCUSES DO NOT JUSTIFY INSUBORDINATION

Ms. Woodall offers three bases for her refusal to participate. First, she has no right to Commission-provided counsel. The Commission's authority to employ attorneys extends to attorneys "to represent the commission and each commissioner," A.R.S. §§ 40-105(C)(5), 40-106(B), not to counsel for an employee under inquiry. The general restriction on agency legal expenditures exempts the Commissioners and the Commission, not their employees, A.R.S. § 41-192(D); and the risk-management statute, A.R.S. § 41-621, is inapplicable under these facts and circumstances.

Second, as an at-will, uncovered employee, she has no constitutionally protected property interest in continued employment and therefore no procedural due process right before an adverse action, let alone before an interview. *Carroll v. Robinson*, 178 Ariz. 453, 458, 874 P.2d 1010, 1015 (App. 1994); *Portman v. County of Santa Clara*, 995 F.2d 898, 904 (9th Cir. 1993) ("If under state law, employment is at-will, then the claimant has no property interest in the job."). Her specific complaint, that the complaint was disclosed to officers of the Commission but not to her, describes the process the Code requires: the Rule 8.1 comment provides that a complaint "should be submitted in writing and under oath to the Ethics Officer,

who shall report such complaint to the Commissioners and the Executive Director.” No rule entitles the subject of a workplace investigation to the complaint before being interviewed, and withholding it is standard practice. Her related assertion, that the September 3 notice was inadequate to inform her of the allegations, does not hold. The notice identified the subject as communications about an employee’s employment, hiring, professional background, and fitness, and named [REDACTED] and the September 17 email confirmed that the interview concerned those matters. She has been told the subject matter three times in writing and has been offered a full opportunity to respond.

Third, the decision not to pay for her counsel is not evidence of prejudgment. It reflects what the Commission is authorized to do and says nothing about the merits. The Commission assigned the investigation to outside counsel precisely to ensure that no one in the Legal Division, where the complainant works, would decide it. Moreover, the Commission is not required to permit an employee’s private counsel during interoffice investigations, but it allowed Ms. Woodall this option.

G. ANTICIPATED CLAIM IF MS. WOODALL IS TERMINATED

Section V.B establishes that the Commission has cause to discipline or separate Ms. Woodall. Because an at-will employee may be separated for no reason, her available claims are that the actual reason was unlawful: namely, that she was disciplined because of a protected characteristic, in retaliation for protected activity, or, as a public employee, for speech protected by the First Amendment. Should the Commission decide to terminate Ms. Woodall, any potential liability would most likely arise from a First Amendment claim under 42 U.S.C. § 1983.

i. The First Amendment claim under 42 U.S.C. § 1983.

A public employee’s speech is protected only if she spoke as a citizen on a matter of public concern, and even then only if her interest in speaking outweighs the employer’s interest in the efficient operation of the workplace. *Pickering v. Board of Education*, 391 U.S. 563, 568 (1968); *Connick v. Myers*, 461 U.S. 138, 147-48 (1983). The Ninth Circuit applies the rule in five steps: whether the employee spoke on a matter of public concern; whether she spoke as a private citizen rather than pursuant to official duties; whether the speech was a substantial or motivating factor in the adverse action; whether the employer’s legitimate administrative interests outweigh her First Amendment rights; and whether the employer would have taken the same action absent the speech. *Eng v. Cooley*, 552 F.3d 1062, 1070 (9th Cir. 2009). The employee carries the first three; the employer carries the last two. *Id.* Each is addressed below. Causation, the third step, is conceded for this purpose: if the Commission disciplines Ms. Woodall for the conduct, it disciplines her for what she said.

A. Matter of public concern.

Whether speech addresses a matter of public concern turns on “the content, form, and context of a given statement, as revealed by the whole record,” *Connick*, 461 U.S. at 147-48, and content is the most important of the three. *Karl v. City of Mountlake Terrace*, 678 F.3d 1062, 1069 (9th Cir. 2012). Speech that deals with “individual personnel disputes and grievances” and “would be of no relevance to the public’s evaluation of the performance of governmental agencies” is not of public concern. *Desrochers v. City of San Bernardino*, 572 F.3d 703, 710 (9th Cir. 2009) (quoting *Coszalter v. City of Salem*, 320 F.3d 968, 973 (9th Cir. 2003)); *id.* at 718 (“An internal dispute with no wider societal implications is not a matter of public concern.”); *Roberts v. Springfield Utility Board*, 68 F.4th 470, 475 (9th Cir. 2023) (speech about an internal workplace investigation “concerned a quintessential ‘individual personnel dispute’”). Ms. Woodall’s best argument is that a government lawyer’s qualifications are a legitimate public interest and that speech inside the office is not automatically unprotected. *Garcetti v. Ceballos*, 547 U.S. 410, 420-21 (2006). But form and context count, and that argument is soft. Ms. Woodall spoke only to the officials who made the decision and to the new hire’s co-workers, never to the public, the press, the Commission as a body, or any oversight body. She brought no information the hiring officials lacked; they had considered the disciplinary record before the offer and told her so. Her principal objection was not to inform the public but rather to undo a completed personnel decision that was not hers to make, and she pressed it after the decision-makers declined. On this record, the statements are a personnel grievance, not speech on a matter of public concern. See also *Trizuto v. Bellevue Police Department*, 983 F. Supp. 2d 1277, 1285 (W.D. Wash. 2013) (“no court has ever held that an individual employee’s internal complaint against another employee is speech on a matter of public concern”).

B. Citizen speech or official duties.

Speech made “pursuant to [an employee’s] official duties” is not protected. *Garcetti*, 547 U.S. at 421. Hiring in the Legal Division is not part of Ms. Woodall’s duties, so this step likely favors her, but only at a cost elsewhere. She told [REDACTED] that her Commissioner wanted her to review [REDACTED] resume, and she told [REDACTED] and [REDACTED] that she would raise [REDACTED] hire with her Commissioner. To the extent Ms. Woodall claims she was acting in her official duties or for a Commissioner, the speech was official-duty speech, and *Garcetti* would dispose of the claim. If she says she acted on her own, she spoke as a citizen, but as a citizen pursuing a personal grievance, which returns her to the public-concern problem above.

C. The Pickering balance.

If a court found a matter of public concern, the balance would still favor the Commission. The employer’s side of the balance is measured by whether the speech “impaired discipline or control by superiors,” “disrupted co-worker relations,” “eroded a close working

relationship premised on personal loyalty and confidentiality,” “interfered with the speaker’s performance of his or her duties,” or “obstructed routine office operations,” and “reasonable predictions of disruption” suffice; the employer need not wait for the disruption to occur. *Gilbrook v. City of Westminster*, 177 F.3d 839, 867-68 (9th Cir. 1999); *Connick*, 461 U.S. at 152. That interest “is magnified when the employee asserting the right serves in a ‘confidential, policymaking, or public contact role,’” and “[w]hen close working relationships are essential to fulfilling public responsibilities, a wide degree of deference to the employer’s judgment is appropriate.” *Moran v. Washington*, 147 F.3d 839, 846 (9th Cir. 1998); see *Biggs v. Best, Best & Krieger*, 189 F.3d 989, 994-95 (9th Cir. 1999). Ms. Woodall is a Commissioner’s policy advisor. The accounts of the [REDACTED], the [REDACTED], and the [REDACTED] document the disruption. It is the manner and persistence of the speech, not its viewpoint, that the Commission would be acting on: six weeks of uninvited approaches, a demand pressed after the decision-makers had declined, a [REDACTED] calling a colleague at home upset (as [REDACTED] reported), and, on the [REDACTED] account, a statement that a co-worker was mentally unfit. The Commission also has both its own stated policy and a statutory obligation against harassing an employee based on a perceived impairment, and an employer’s interest in meeting that obligation weighs heavily in the balance.

D. The same decision without the speech: insubordination.

The fifth step asks whether the employer would have reached the same decision absent the protected speech. *Mt. Healthy City School District Board of Education v. Doyle*, 429 U.S. 274, 287 (1977). Ms. Woodall’s refusal to participate in the investigation is insubordination, a violation of R2-5A-501(A)(1) that is independent of her speech relating to [REDACTED]. It is a basis for discipline up to and including separation on its own, and a separation imposed on that ground would not rest on her speech at all.

H. CONCLUSIONS

On the findings in Section IV, Ms. Woodall’s conduct toward [REDACTED] was inconsistent with the requirements of A.A.C. R2-5A-501(A)(2), (A)(3), and (A)(4), and her refusal to comply with the directive to participate in the interview is insubordination under R2-5A-501(A)(1). The two are independent. The refusal alone supports discipline up to and including separation, and it does not depend on the merits of [REDACTED] complaint, on anything Ms. Woodall said about him, or on the outcome of any claim she might assert about her speech. The Commission’s exposure on [REDACTED] complaint as filed turns on the six weeks that preceded it; its exposure going forward turns on whether Ms. Woodall resumes, and on what the Commission does now to ensure she does not.

VI. RECOMMENDED ACTION

The refusal to participate in the investigation is insubordination. It is a violation of R2-

5A-501(A)(1) established by Ms. Woodall's own written response and course of conduct, and it does not depend on anything she might have said in an interview. Any discipline, up to and including termination, is justified based on insubordination of this magnitude. Because the refusal is independent of anything Ms. Woodall said about [REDACTED] a separation imposed on this ground alone would not rest on her speech, and the claims addressed in Section V.G would have nothing to attach to. Whatever action is taken, the Executive Director should document the refusal as a stand-alone basis for that action, stated separately from and before any reliance on the conduct toward [REDACTED]

The Executive Director should determine the appropriate corrective action for Ms. Woodall's conduct related to [REDACTED]. The record supports discipline up to and including separation under R2-5A-501(C). Although [REDACTED] has stated that he does not want Ms. Woodall terminated and wants the conduct to stop, the Executive Director may consider his preference but is not required to. The retaliation analysis in Section V.D. weighs strongly in favor of separation. On this record, there is a significant risk that Ms. Woodall will make further remarks to or about [REDACTED]. Separation is the only sanction that eliminates that risk; any lesser sanction would leave the Commission exposed if she disregards it. From a risk-mitigation standpoint, separation is therefore the course of action that best reduces the Commission's future legal risk. If the Executive Director elects a lesser sanction, he should issue a final written warning directing Ms. Woodall to cease the conduct and prohibiting her from participating in personnel matters outside her own office. That approach, however, would leave the Commission materially exposed if she disregards the directive.

This report is a privileged attorney-client communication and is not a disciplinary record.

Sincerely,



Michael Zoldan