

MINIMUM WAGE INCREASE IN ARKANSAS

GILL
RAGON
OWEN
ATTORNEYS

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ON ELECTION NIGHT, THE MAJORITY OF ARKANSAS VOTERS HELPED PASS ISSUE 5 REGARDING MINIMUM WAGE. ON JANUARY 1, 2019, ARKANSAS' MINIMUM WAGE WILL INCREASE FROM \$8.50 TO \$9.25 PER HOUR. THE ARKANSAS MINIMUM WAGE WILL INCREASE YEARLY UNTIL IT REACHES \$11.00 PER HOUR IN 2021. THE ARKANSAS MINIMUM WAGE ACT APPLIES TO EMPLOYERS WHO EMPLOY FOUR OR MORE EMPLOYEES.

Currently, 29 states, including Arkansas, have minimum wages above the federal minimum wage (\$7.25/hour). When the state minimum wage rate is higher than the federal rate, employers are required to pay non-exempt employees the higher amount.

The Arkansas Department of Labor issued an amended Notice poster last week to update the applicable minimum wage rate for Arkansas employees. By law, covered employers that employ four (4) or more individuals are subject to the Arkansas Minimum Wage Act (AMWA) and must display the poster for employees' notice of their rights. Ark. Code Ann. § 11-4-216(a) states: "Every employer ... shall keep a summary of this subchapter, approved by the Director of the Department of Labor, ... or a summary of the regulations approved by the director, *posted in a conspicuous and accessible place in or about the premises* wherein any person subject thereto is employed." *NOTE: For employers of tipped employees, be sure to note the amount of tip credit based on the revised minimum wage rate and ensure that the tip credit provisions are being satisfied! Even if tipped employees earn at least \$9.25 for all hours worked, there is still a maximum amount that can be apportioned to the minimum wages paid through tips.*

[Link to DOL approved Poster](#)

TO AVOID PENALTIES AND LIABILITIES FOR FAILING TO PAY COVERED EMPLOYEES MINIMUM WAGES FOR ALL HOURS WORKED IN A WORKWEEK, EMPLOYERS MUST TAKE STEPS NOW TO PREPARE FOR THE MINIMUM WAGE INCREASE EFFECTIVE IN LESS THAN TWO MONTHS.



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OUR LABOR AND EMPLOYMENT LAW GROUP WILL BE GLAD TO ANSWER ANY QUESTIONS YOU MAY HAVE REGARDING WAGE REGULATIONS.