Fact Sheet on the Increase of the Arkansas Minimum Wage

Overview
On November 6, 2018 Arkansas voters approved an increase to the state’s minimum wage. The minimum wage increase is as follows:

$9.25 per hour effective January 1, 2019;

$10.00 per hour effective January 1, 2020; and

$11.00 per hour effective January 1, 2021.

For a copy of the Initiated Act, click here. The state minimum wage remains at $8.50 per hour until January 1, 2019. The federal minimum wage is $7.25 per hour.

Coverage
The Arkansas Minimum Wage Act covers employers with 4 or more employees. Employers covered by the federal Fair Labor Standards Act (FLSA) are also covered by the Arkansas law if they have 4 or more employees. An employer covered by both laws must pay the highest minimum wage.

The Arkansas Minimum Wage Act exempts some employees from both the minimum wage requirement and from the overtime pay requirement. Some employees are exempt only from the overtime pay requirement. For more information on exemptions, see the agency’s regulations by clicking here.

Tipped Employees
The state tip credit did not change, so tipped employees must still be paid a minimum of $2.63 per hour and tips must be sufficient to raise the employee to the applicable minimum wage rate.

Poster
The required poster has been revised and is available online here or by email request here.

Recordkeeping
Recordkeeping requirements have not changed. For information on recordkeeping requirements, see the agency’s regulations by clicking here.