

"AN ACT TO AMEND SUBSECTIONS (a) AND (b) OF SECTION 3 OF ACT 25 OF THE FIRST EXTRAORDINARY SESSION OF 1968, AS AMENDED BY SUBSECTIONS (a) AND (b) OF SECTION 1 OF ACT 316 OF 1975, THE SAME BEING ARKANSAS STATUTES, SECTION 81-321, SUBSECTIONS (a) AND (b); TO PROVIDE FOR THE ECONOMIC BETTERMENT OF EMPLOYEES IN ARKANSAS; TO INCREASE THE PURCHASING POWER OF THE CITIZENS OF ARKANSAS; AND TO PROVIDE A BETTER ECONOMIC CLIMATE FOR THE BUSINESSES AND INDUSTRIES OF ARKANSAS; AND FOR OTHER PURPOSES."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. AMENDMENT. Subsections (a) and (b), respectively, of Act 25 of the First Extraordinary Session of 1968 as amended by subsection (a) and (b) of Section 1 of Act 316 of 1975, the same being Subsections (a) and (b) of Section 81-321 of the Arkansas Statutes, are hereby amended to read as follows:

"(a) (1) Beginning January 1, 1983 and for a period of one (1) year thereafter, every employer shall pay to each of his employees wages at the rate of not less than two dollars ninety-five cents (\$2.95) per hour except as otherwise provided in this Act.

(2) Beginning January 1, 1984, and for a period of one (1) year thereafter, every employer shall pay to each of his employees wages at a rate of not less than three dollars and five cents (\$3.05) per hour, except as otherwise provided in this Act.

(3) Beginning January 1, 1985, and thereafter, every employer shall pay to each of his employees at a rate of not less than three dollars and fifteen cents (\$3.15) per hour, except as otherwise provided in this Act.

(4) Provided, however, with respect to any full-time student attending any accredited institution of education within the State of Arkansas, and who is employed to work an amount not to exceed twenty (20) hours during weeks that school is in session, or forty (40) during weeks when school is not in session; such rate of wage shall be equal to but not less than eighty-five percent (85%) of the minimum wage provided for herein.

(b) Every employer or an employee engaged in any occupation in which gratuities have been customarily and usually constituted and have been recognized as a part of remuneration for hiring purposes shall be entitled to an allowance for gratuities as a part of the hourly wage rate provided in this section in an amount not to exceed fifty percent (50%) of the minimum wage established by this section, provided that the employee actually received that amount in gratuities, and, provided further, that application of the foregoing gratuity allowances shall result in payment of wages other than gratuities to tipped employees, including full-time students subject to the provisions of this section, of no less than fifty percent (50%) of the minimum wage prescribed in paragraph (1) and paragraph (2) of subsection (a) of this section. In determining whether an employee received in gratuities the amount claimed, the Commissioner may require such employee to show to the satisfaction of the Commissioner that the actual amount of gratuities received by him during any work week was less than the amount determined by the employer as the amount by which the wage paid the employee was deemed to be increased under this subsection."

SECTION 2. All laws and parts of laws in conflict with this Act are

hereby repealed.

SECTION 3. EMERGENCY. It is hereby found and determined by the General Assembly that because of the case Ricarte v. State, CR 86-31, a question has arisen over the validity of Act 1156 of the Extended Session of 1976; that this Act is a reenactment of the former law; and that the immediate passage of this Act is necessary to clarify the state of the law on this issue. Therefore, an emergency is hereby declared to exist and this Act being necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

APPROVED: April 14, 1987

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