1 2	State of Arkansas As Engrossed: $S4/8/21$ $S4/14/21$ $S4/14/21$ $S4/14/21$ $S4/14/21$ $S4/14/21$ $S4/14/21$
3	Regular Session, 2021 SENATE BILL 539
4	
5	By: Senator B. Davis
6	By: Representative Pilkington
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8	For An Act To Be Entitled
9	AN ACT TO AMEND THE LAW REGARDING THE PAYMENT OF
10	WAGES; TO ESTABLISH PARAMETERS REGARDING THE
11	RECOUPMENT OF OVERPAYMENTS BY EMPLOYERS; AND FOR
12	OTHER PURPOSES.
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14	
15	Subtitle
16	TO AMEND THE LAW REGARDING THE PAYMENT OF
17	WAGES; AND TO ESTABLISH PARAMETERS
18	REGARDING THE RECOUPMENT OF OVERPAYMENTS
19	BY EMPLOYERS.
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22 23	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
24	SECTION 1. Arkansas Code Title 11, Chapter 4, Subchapter 4, is amended
25	to add an additional section to read as follows:
26	11-4-406. Recoupment of overpayment of wages.
27	(a) In order to recoup an overpayment of wages paid to an employee, an
28	employer shall:
29	(1) Provide written notice to an employee at least twenty-one
30	(21) days in advance before first deducting from the employee's wages; and
31	(2) Deduct no more than twenty percent (20%) of the employee's
32	gross wages per pay period to recoup the overpayment.
33	(b) The advance written notice required under subdivision (a)(1) of
34	this section shall specify the:
35	(1) Amount of overpayment to be recouped;
36	(2) Method used to calculate the overpayment; and

1	(3) Cause of the overpayment.
2	(c) An employer that violates this section shall:
3	(1) Return to the employee any deductions made from the
4	employee's paychecks; and
5	(2) Pay the employee an additional amount equal to the improper
6	deductions taken from the employee's wages as liquidated damages.
7	(d) Subsections (a)-(c) of this section do not apply to the recoupment
8	of an overpayment of wages by an employer when the overpayment of wages:
9	(1) Is discovered after only one (1) pay period; or
10	(2) Has been paid to an employee who is employed in a grant-
11	funded position.
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13	/s/B. Davis
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