

New Year, New Laws In Effect

1. Effective December 31, 2019 – Arizona 20-Day Preliminary Notice Threshold Changing from 20% to 30%.

Under Arizona law, in order to establish full lien rights, a preliminary notice must be filed within 20 days of furnishing labor or materials. The 20-day preliminary notice must include, among other things, an estimate of cost of the work to be provided by the noticing party. Currently, if the estimated price increases by 20%, the noticing party must provide an amended preliminary notice reflecting the increase.

Effective December 31, 2019, an amended notice will only be required if the estimated amount increases by 30%.

2. Effective January 1, 2020 – Minimum Wage in Arizona Increases to \$12.00 per hour

Effective January 1, 2020, minimum wage in Arizona increases from the current \$11.00 per hour to **\$12.00 per hour**. This is the final predetermined increase in a series of increases voted for in 2016, which raised the minimum hourly wage from \$8.05 in 2016 to \$12.00 in 2020.

Minimum Hourly Wages in Arizona

January 1, 2018 \$10.50

January 1, 2019 \$11.00

January 1, 2020 \$12.00

From January 1, 2021 and beyond, Arizona will increase its minimum wage based on the cost of living.

Note: Some Arizona cities have their own minimum wage laws. For example, Flagstaff minimum wage increases are as follows:

Minimum Hourly Wages in Flagstaff

January 1, 2019 \$12.00

January 1, 2020 \$13.00

January 1, 2021 \$15.00

January 1, 2022 \$15.50

**If you are hiring employees in other Arizona cities, be sure to check the municipal minimum wage rules.*

** You may need an updated Minimum Wage poster.*

For more information, see the FAQs pages by topic at www.azica.gov/divisions/labor-department.

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Arizona practice temporarily authorized pending admission under Ariz. R. Sup.
Ct. 38(h). Supervision by Jeffrey Willis, a member of the State Bar of Arizona.