

● **WAGE AND HOUR LAWS (*MINIMUM WAGE*)**

*STATUTORY CITATION:* Cal. Lab. Code §§ 1171–1206

*RELATED REGULATIONS:* Cal. Code Regs. Title 8, §§ 11130 & 11140

*GENERAL SUMMARY:* The California state minimum wage is prescribed by statute through the year 2023 and applies to most workers in most industries, depending only on the size of each employer's workforce.

**Employers with 25 Employees or Fewer** — Workers employed by an establishment with no more than 25 employees must be paid no less than the following during the indicated time period:

January 1, 2017—December 31, 2017: \$10.00 per hour

January 1, 2018—December 31, 2018: \$10.50 per hour

January 1, 2019—December 31, 2019: \$11.00 per hour

January 1, 2020—December 31, 2020: \$12.00 per hour

January 1, 2021—December 31, 2021: \$13.00 per hour

January 1, 2022—December 31, 2022: \$14.00 per hour

January 1, 2023—December 31, 2023: \$15.00 per hour

**Employers with 26 Employees or More** — Workers employed by an establishment with more than 25 employees must be paid no less than the following during the indicated time period:

January 1, 2017—December 31, 2017: \$10.50 per hour

January 1, 2018—December 31, 2018: \$11.00 per hour

January 1, 2019—December 31, 2019: \$12.00 per hour

January 1, 2020—December 31, 2020: \$13.00 per hour

January 1, 2021—December 31, 2021: \$14.00 per hour

January 1, 2022—December 31, 2023: \$15.00 per hour

Beginning in 2023, on or before August 1 each year and subject to certain economic conditions, the state finance director will increase the minimum wage by the *lesser* of (a) 3.5 percent, or (b) the rate of change in the consumer price index for urban wage earners and clerical workers, but in no case will the existing rate be lowered. The adjusted minimum wage will become effective the following January 1.

The state industrial welfare commission has authority to investigate wages, hours and working conditions in any occupation, trade or industry, and if the wages paid are inadequate to maintain a proper living standard, the commission must appoint a wage board, composed of an equal number of representatives of employers and employees, to consider the commission's findings and other information, and to recommend an appropriate minimum wage higher than the wage floor set by the legislature.

*PROVISIONS APPLICABLE TO AGRICULTURE:* The following minimum wage provisions applicable to agricultural employment have been adopted by the industrial welfare commission:

**PLANTING, CULTIVATION, AND HARVEST OPERATIONS** — The wage order regulating pay in planting, cultivation and harvest operations currently specifies an hourly rate that is below the statutory minimum set by the legislature. Workers in these occupations, therefore, are generally entitled to receive at least the minimum rate specified above for each hour of work.

**ON-FARM PREPARATION OF CROPS FOR MARKET** — The wage order regulating pay for persons engaged in on-farm preparation of crops for market currently specifies an hourly rate that is below the statutory minimum set by the legislature. Workers in these occupations, therefore, are generally entitled to receive at least the minimum rate specified above for each hour of work.

**MEALS AND LODGING** — Provided there is a voluntary written agreement for such an arrangement between the employer and the worker, the cost of adequate, well-balanced meals and decent, sanitary housing supplied by an agricultural employer and actually utilized by an agricultural employee may be credited against the minimum wage. However, the credit for each meal may not exceed \$2.45 for breakfast, \$3.35 for lunch, or \$4.50 for dinner, and the housing credit is limited to \$31.75 per week for a room occupied alone, \$26.20 a week for a shared room, and 2/3 of the ordinary rental value for an apartment. The maximum credit for an apartment is \$563.90 per month where a couple are both employed by the employer, and \$381.20 for all others.

*SPECIAL NOTES OR ADVISORIES*

**PIECE-RATE WORKERS** — In accordance with a provision in the state wage payment laws, employees who are paid on a piece-rate basis must be paid for rest periods and other non-productive time separate from their piece-rate compensation. The required pay statement must show the total number of hours of rest periods and other non-productive time, the pay rate for those hours, and the amount of pay for those hours. In general, the pay rate for rest periods cannot be less than (1) the average hourly rate determined by dividing the total amount of non-overtime pay for the workweek by the total hours worked not counting rest periods, or (2) the applicable

## California / Wages & Hours / Minimum Wage

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minimum wage, whichever is higher.

**RETALIATION** — A person may not discharge an employee, or discriminate or retaliate in any manner against an employee, because the employee has filed a complaint, participated in a proceeding, or exercised any other right afforded by these provisions.

### *ADMINISTRATION AND ENFORCEMENT*

**PRIMARY ENFORCEMENT AGENCY** — *Division of Labor Standards Enforcement, California Department of Industrial Relations, Oakland, California 94612 (510-285-2118)*. The Division is authorized to investigate the wages being paid to any employee in the state and to enforce compliance with the wage orders adopted under the wage and hour laws. With the consent of the worker or workers affected, the agency may commence civil action to recover unpaid minimum wages. The Division is responsible for supervision of the payment of unpaid minimum wages owing to any employee under these provisions. Violation of a wage order by an employer is a misdemeanor, punishable by a fine, imprisonment or both. Workers who require information concerning these provisions, or who wish to file a claim or complaint, should contact the nearest district office of the Division, or email [DLSE2@dir.ca.gov](mailto:DLSE2@dir.ca.gov).

**SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY** — *None*.

**PRIVATE CIVIL ACTION** — Any worker who receives less than the legal minimum wage may file a private suit to recover the unpaid balance of the full amount, together with costs of the lawsuit, but if the worker accepts payment of any sums found to be due on demand of the Division, such acceptance constitutes a waiver on the worker's part of his or her right to sue.