

Minimum Wage Frequently Asked Questions

1. What is the minimum wage in California?

Effective January 1, 2023, the minimum wage is \$15.50 per hour for all employers. Some cities and counties have higher minimum wages than the state’s rate. There is a [list of City and County minimum wages in California](#) maintained by UC Berkeley.

The minimum wage rates applicable in recent years can be found in the IWC wage orders. Effective January 1, 2023, the minimum monthly salary for [shepherders](#) and goat herders increases to \$2,755.48 per month for all employers. The minimum monthly salary for shepherders and goat herders is specially set under IWC Wage Order 14-2001. Wages paid to shepherders and goat herders may not be offset by meals or lodging provided by the employer. Instead, there are provisions in [IWC Order 14-2007, Sections 10\(F\), \(G\) and \(H\)](#) that apply to shepherders and goat herders with respect to monthly meal and lodging benefits required to be provided by the employer.

Starting in 2017, California started a phase-in schedule to reach the \$15 minimum wage for all employers. [Read more about the \\$15 phase-in.](#)

Date	Minimum Wage for Employers with 25 Employees or Less	Minimum Wage for Employers with 26 Employees or More
January 1, 2017	\$10.00/hour	\$10.50/hour
January 1, 2018	\$10.50/hour	\$11.00/hour
January 1, 2019	\$11.00/hour	\$12.00/hour

January 1, 2020	\$12.00/hour	\$13.00/hour
January 1, 2021	\$13.00/hour	\$14.00/hour
January 1, 2022	\$14.00/hour	\$15.00/hour
January 1, 2023	\$15.50/hour	\$15.50/hour

2. What is the difference between the local, state and federal minimum wage?

Most employers in California are subject to both the federal and state minimum wage laws. Also, local entities (cities and counties) are allowed to enact minimum wage rates and several cities have recently adopted ordinances which establish a higher minimum wage rate for employees working within their local jurisdiction. See the [list of City and County minimum wages in California](#) maintained by UC Berkely.

The effect of this multiple coverage by different government sources is that when there are conflicting requirements in the laws, **the employer must follow the stricter standard; that is, the one that is the most beneficial to the employee.** Thus, since California's current law requires a higher minimum wage rate than does the federal law, all employers in California who are subject to both laws must pay the state minimum wage rate unless their employees are exempt under California law. Similarly, if a local entity (city or county) has adopted a higher minimum wage, employees must be paid the local wage where it is higher than the state or federal minimum wage rates.

3. What are some exceptions to paying at least the minimum wage per hour?

There are some employees who are exempt from the minimum wage law, such as outside salespersons, individuals who are the parent, spouse, or child of the employer, and apprentices regularly indentured under the State Division of Apprenticeship Standards.

[Minimum Wage Order \(MW-2023\)](#)

There is an exception for [learners](#), regardless of age, who may be paid not less than 85 percent of the minimum wage rounded to the nearest nickel during their first 160 hours of employment in occupations in which they have no previous similar or related experience.

There are also exceptions for employees who are mentally or physically disabled, or both, and for nonprofit organizations such as sheltered workshops or rehabilitation facilities that employ disabled workers. Such individuals with licenses may have their licenses renewed and organizations may be issued a special license by the Division of Labor Standards Enforcement authorizing employment at a wage less than the legal minimum wage but only until January 1, 2025. Labor Code Sections [1191](#) and [1191.5](#)

4. May an employee agree to work for less than the minimum wage?

No. The minimum wage is an obligation of the employer and cannot be waived by any agreement, including collective bargaining agreements. Any remedial legislation written for the protection of employees may not be violated by agreement between the employer and employee. [Civil Code Sections 1668](#) and [3513](#)

5. Is the minimum wage the same for both adult and minor employees?

Yes. There is no distinction made between adults and minors when it comes to payment of the minimum wage.

6. Does an employer have to pay the minimum wage if they only have one employee?

Yes. Unless another exemption applies as detailed in question 4, employers must pay all employees at least the minimum wage per hour.

7. If a worker also gets paid tips, can an employer use the tips as a credit toward the obligation to pay the minimum wage?

No. An employer may not use an employee's tips as a credit toward its obligation to pay the minimum wage per hour.

8. What can a worker do if their employer does not pay at least the minimum wage?

Workers can either [file a wage claim](#) with the Division of Labor Standards Enforcement (the Labor Commissioner's Office), or file a lawsuit in court against the employer to recover the lost

wages. Additionally, if they no longer work for this employer, workers can include in their claim waiting time penalties pursuant to [Labor Code Section 203](#).

9. What is the procedure that is followed after a wage claim is filed?

After a wage claim is completed and filed with a local office of the Division of Labor Standards Enforcement (DLSE), it will be assigned to a Deputy Labor Commissioner who will determine, based upon the circumstances of the claim and information presented, how best to proceed. Initial action taken regarding the claim can be referral to a conference or hearing, or dismissal of the claim.

If the decision is to hold a conference, the parties will be notified by mail of the date, time and place of the conference. The purpose of the conference is to determine the validity of the claim, and to see if the claim can be resolved without a hearing. If the claim is not resolved at the conference, the next step usually is to refer the matter to a hearing or dismiss it for lack of evidence.

At the hearing the parties and witnesses testify under oath, and the proceeding is recorded. After the hearing, an Order, Decision, or Award (ODA) of the Labor Commissioner will be served on the parties.

Either party may appeal the ODA to a civil court of competent jurisdiction. The court will set the matter for trial, with each party having the opportunity to present evidence and witnesses. The evidence and testimony presented at the Labor Commissioner's hearing will not be the basis for the court's decision. In the case of an appeal by the employer, DLSE may represent an employee who is financially unable to afford counsel in the court proceeding.

Read more about [how to file a wage claim](#).

10. What can a worker do if they prevail at the hearing and the employer does not pay or appeal the Order, Decision, or Award?

When the Order, Decision, or Award (ODA) is in the employee's favor and there is no appeal, and the employer does not pay the ODA, the Division of Labor Standards Enforcement (Labor Commissioner's Office) will have the court enter the ODA as a judgment against the employer. This judgment has the same force and effect as any other money judgment entered by the court. Consequently, workers may either try to collect the judgment themselves or it can be assigned to the Labor Commissioner's Office. Read more about the [Judgment Enforcement Unit](#).

11. What can a worker do if their employer retaliates against them because they asked about not being paid the minimum wage?

If an employer discriminates or retaliates against a worker in any manner whatsoever, for example, fires the worker because they asked why they were not being paid the minimum wage, or because they filed a claim or threaten to file a claim with the Labor Commissioner, the worker may have rights to protection from retaliation. Learn about [filing a discrimination/retaliation complaint](#) with the Labor Commissioner's Office. Alternatively, workers can file a lawsuit in court against their employer.

* The UC Berkeley Labor Center keeps a detailed national list of local minimum wage ordinances. The Department of Industrial Relations does not monitor or verify this list but includes it here as a reference for the public: [UC Berkeley Labor Center Inventory of US City and County Minimum Wage Ordinances](#)

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