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# Kimberly Cole and Megan Stevens Shaked Authored Employee Benefit Plan Review's "California's Fair Pay Act Gets a Facelift on Its 10-Year Anniversary"

The following is an excerpt from the article:

## Expanding the Definition of Wages and Wage Rate

One major expansion is the definition of wages. Rather than permitting the use of the actual hourly wage or salary, SB 642 decided to mirror the federal definition in the Equal Pay Act which includes "all forms of compensation irrespective of the time of payment, whether paid periodically or deferred until a later date, and whether called wages, salary, profit sharing, expense account, monthly minimum, bonus, uniform cleaning allowance, hotel accommodations, use of company car, gasoline allowance, or some other name. Fringe benefits are deemed to be remuneration for employment."<sup>1</sup> To be sure, that is a mouthful and a deviation from what has been previously permitted.

There is some good news. The statute, Labor Code section 1197.5(l)(3), expressly limits this broad definition to just this section.

- Employee Benefit Plan Review subscribers may access the [full article on Wolters Kluwer](#).
- Non-subscribers may download a [PDF of the article](#).