

NOVEMBER 7, 2024 | WAGE & HOUR COMPLIANCE

An Update on Minimum Wage in California

As we approach the holiday season and New Year's Day, we wanted to provide employers with a brief update on what minimum wage requirements in California might be starting January 1, 2025.

Proposition 32

Proposition 32 was an initiative on the November 5, 2024 ballot in California. It would have raised the minimum wage to \$18 per hour in 2025 for larger employers and in 2026 for all employers. Although the results are not official as of the writing of this blog article, it appears that the initiative is likely to fail.

Minimum Wage in 2025

Even if Proposition 32 fails, the California minimum wage will still increase on January 1, 2025 pursuant to existing law. It is currently set to increase to \$16.50 per hour for all employers.

As always, employers should ensure compliance with any applicable local ordinances for enhanced minimum wage obligations. 

For example, the following municipalities have their own minimum wage requirements (this list does not include all such local ordinances in California):

- Alameda
- Berkeley
- Daly City
- El Cerrito
- Emeryville
- Fremont
- Hayward
- Los Angeles
- Los Angeles County
- Novato
- Oakland
- Pasadena
- Redwood City
- San Diego
- San Francisco
- San Jose

- San Mateo
- San Mateo County
- Santa Clara
- Santa Monica
- Sonoma
- West Hollywood

Finally, employers should also be aware of any industry-specific minimum wage requirements. For example, in April 2024, the minimum wage for some fast food workers increased to \$20 per hour. In October 2024, the minimum wage increased for many workers in the health care industry.

Employer Takeaways

As employers in California already know, wage and hour law in the state is constantly evolving. Proposition 32 is just one example of how quickly the law can change, even when employers might have already planned for upcoming changes in 2025.

With 2025 approaching, there is not a better time for employers to review their wage and hour policies and practices to ensure that they are prepared for new requirements and in compliance with current requirements.