



Are Further Increases In California Minimum Wage Laws On The Horizon?

Insights

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Existing law requires that California's minimum wage for all industries be no less than \$9 per hour effective July 1, 2014 and \$10 per hour effective January 1, 2016. Even before the second-tier increase goes into effect, new legislation has been introduced seeking to further increase California's minimum wage.

On February 3, 2014, Sen. Mark Leno (D-San Francisco) introduced a bill to override the legislation signed by Gov. Jerry Brown last year, and increase California's minimum wage to \$11 per hour in 2015, \$12 per hour in 2016, and \$13 per hour in 2017. The increases would take effect January 1 of each year.

Starting in 2018, the new bill calls for automatic annual increases based on inflation. However, the bill specifically prohibits the Industrial Welfare Commission from decreasing the minimum wage following years of negative inflation. The bill was approved in the California Senate and proceeded to the Assembly on May 29, 2014. In the end, such proposed legislation may ultimately be vetoed by Governor Brown if he chooses to do so.

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