

# California Statewide and Local Minimum Wage Rates to Increase in 2017

November 29, 2016

By [Christopher W. Olmsted](#)

The California minimum wage is scheduled to increase on January 1, 2017 to \$10.50 per hour for businesses employing 26 or more employees. Small employers with 25 or fewer employees will not see an increase until 2018. The increase is a result of SB-3, which was signed into law earlier this year.

The [California minimum wage is scheduled to increase](#) on January 1, 2017 to \$10.50 per hour for businesses employing 26 or more employees. Small employers with 25 or fewer employees will not see an increase until 2018. The increase is a result of SB-3, which was signed into law earlier this year. The law will increase California's minimum wage to \$15 per hour over 6 years, with cost of living increases scheduled thereafter.

For large businesses, [California's minimum annual salary for executive, administrative, and professional exempt employees](#) will also increase to \$43,680 from \$41,600. This increase will not affect small businesses (those with 25 or fewer employees) until 2018. The state's minimum salary for exempt employees is tied to the state minimum wage. The state's minimum salary for businesses with 26 or more employees will go into effect on January 1, 2017, and is not affected by the federal court injunction blocking the U.S. Department of Labor's overtime rule.

On the local level, California employers must comply with 21 city and county ordinances. In each of these local jurisdictions, the minimum wage will increase in 2017. In 12 cities, the minimum wage will increase on January 1, 2017, and in the remaining jurisdictions, the minimum wage rate will increase in July of 2017 or later.

All of the 2017 local minimum wages are higher than the California state minimum wage. Large employers located in Emeryville will pay the highest rate, which is expected to reach \$15.20 in July of 2017. Only seven of the local jurisdictions—Emeryville, the City of Los Angeles, Los Angeles County, Malibu, Pasadena, Richmond, and Santa Monica—give smaller employers a break. Only one city, San Mateo, allows nonprofits to pay their employees a lower rate.

The chart below summarizes the increases scheduled for 2017:

California Local Ordinance	Effective Date of Increase	2016 Rate	2017 Rate
<b>Berkeley</b>	October 1, 2017	\$12.53	<b>\$13.75</b>
<b>Cupertino</b>	January 1, 2017	NA	<b>\$12.00</b>
<b>El Cerrito</b>	January 1, 2017	\$11.60	<b>\$12.25</b>
<b>Emeryville</b>	July 1, 2017	\$13.00 (55 or fewer employees)	<b>\$14.00</b>
		<b>\$14.82 (56 or more employees)</b>	<b>\$15.20</b>
<b>Long Beach</b>	January 1, 2017	NA	<b>\$10.50</b>
<b>Los Altos</b>	January 1, 2017	NA	<b>\$12.00</b>
<b>Los Angeles (City)</b>	July 1, 2017	\$10.50 (26 or more employees)	<b>\$12.00</b>
		<b>NA (25 or fewer employees)</b>	<b>\$10.50</b>
<b>Los Angeles County (Unincorporated</b>	July 1, 2017	\$10.50 (26 or more	<b>\$12.00</b>

Areas)		employees)	
		NA (25 or fewer employees)	\$10.50
Malibu	July 1, 2017	\$10.50 (26 or more employees)	\$12.00
		NA (25 or fewer employees)	\$10.50
Mountain View	January 1, 2017	\$11.00	\$13.00
Oakland	January 1, 2017	\$12.55	\$12.86
Palo Alto	January 1, 2017	\$11.00	\$12.00
Pasadena	July 1, 2017	\$10.50 (26 or more employees)	\$12.00
		NA (25 or fewer employees)	\$10.50
Richmond	January 1, 2017	\$11.52 (without qualifying healthcare benefits) (Note: Excludes	\$12.30

		small businesses that pay for 800 or fewer hours of employee labor per two weeks)	
		<b>\$10.02 (with \$1.50 per hour per employee towards healthcare benefits)</b>	<b>\$10.80</b>
		<b>\$10.76 (Intermediate Minimum Wage) (Note: Used if employer derives more than half its income from transactions where the employer's goods and services produced in Richmond are delivered or shipped outside Richmond)</b>	<b>\$11.40</b>
<b>San Diego</b>	January 1, 2017	\$10.50	<b>\$11.50</b>

<b>San Francisco</b>	July 1, 2017	\$13.00	<b>\$14.00</b>
<b>San Jose</b>	January 1, 2017	\$10.30	<b>\$10.50</b>
<b>San Leandro</b>	July 1, 2017	NA	<b>\$12.00</b>
<b>San Mateo</b>	January 1, 2017	NA	<b>\$12.00</b>
			<b>\$10.50 (nonprofit employers)</b>
<b>Santa Clara</b>	January 1, 2017	\$11.00	<b>\$11.10</b>
<b>Santa Monica</b>	July 1, 2017	\$10.50 (26 or more employees)	<b>\$12.00</b>
		<b>NA (25 or fewer employees)</b>	<b>\$10.50</b>
<b>Sunnyvale</b>	January 1, 2017	\$11.00	<b>\$13.00</b>

#### AUTHOR



**Christopher W. Olmsted**

Office Managing Shareholder, [San Diego](#)

TOPICS

California, State Developments, Wage and Hour