

### The City of San Diego Has a New Minimum Hourly Wage

Unique to the City of San Diego, the passage of Proposition I on Tuesday of this week increases the city-wide minimum hourly wage to \$10.50 an hour no later than July 8, 2016 and to \$11.50 an hour on January 1, 2017. Pursuant to Section 39.0107 of the new ordinance, an employer must pay employees this minimum hourly wage (which exceeds the present California minimum wage by fifty cents) “for **each hour worked within the geographic boundaries of the city**” of San Diego. An “employee” is defined as any person who works at least two hours during a week within the geographic boundaries of the city. To read the full text of the Proposition I, click [here](#).

Beginning January 1, 2019, the minimum hourly wage in San Diego will grow each year by a percentage equal to the cost of living increase, if any, of the immediately preceding year. Should California’s minimum hourly wage exceed San Diego’s, the city’s minimum hourly wage will be automatically increased to equal it.

Proposition I also includes **paid sick leave** requirements for employees. Section 39.0105 of the ordinance requires all employers to provide paid sick leave to employees equal to one hour of paid leave for every 30 hours worked within the geographic boundaries of San Diego. Record keeping and employer compliance may be cumbersome and challenging for employers whose workforce includes individuals who also work during the day, week or month in geographic areas outside city limits. Use of paid sick leave may only be limited to 40 hours per year; this is more generous than California’s permitted annual limit of 24 hours.

Importantly, an employer that separately provides employees with an amount of paid leave, including paid time off, paid vacation, or paid personal days sufficient to meet the requirements of the ordinance’s paid sick leave requirements, including for the “same purposes” and under the “same conditions,” additional paid sick leave is not required to be provided for hours worked within the city limits.

### Minimum Wage Rates in California

Please be reminded that cities and counties across the United States are enacting minimum wage ordinances that affect compensation and overtime obligations for companies employing workers in those jurisdictions. Importantly, not only has the minimum wage increased in 2016 for the State of California, it also increases in a number of California cities, including:

City	Current Rate	Scheduled Increase
Berkeley	\$11.00	\$12.53 effective Oct. 1, 2016
El Cerrito	\$10.00	\$11.60 effective July 1, 2016
Emeryville	\$12.25	\$13.00 effective July 1, 2016
Pasadena	\$10.00	\$10.50 effective July 1, 2016
Sacramento	State rate applies until increase to \$10.50, effective Jan. 1, 2017	
San Francisco	\$12.25	\$13.00 effective July 1, 2016
Santa Monica	\$10.00	\$10.50 effective July 1, 2016
Los Angeles Co.	\$10.00	\$10.50 effective July 1, 2016
California	\$10.00	\$10.50 effective Jan. 1, 2017

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