

## Employment Law Update April 2015

### Effective May 1, 2015, San Francisco Minimum Wage Increases to \$12.25

San Francisco's minimum wage increases to \$12.25 per hour on May 1, 2015, and to \$13 per hour in July 2016. From there, the minimum wage will increase by one dollar every year until July 2018, when it lands at \$15 per hour, bringing the annual pay for a minimum-wage employee working full time to \$31,200. The following is a summary of the annual increases:

Effective Date	Minimum Wage Rate
May 1, 2015	\$12.25
July 1, 2016	\$13.00
July 1, 2017	\$14.00
July 1, 2018	\$15.00

### What happens if an employer doesn't pay its employees San Francisco's minimum wage?

In addition to traditional wage and hour claims, San Francisco's Minimum Wage Ordinance ("SFMWO") imposes up to a ***\$100 per day, per employee, penalty***, plus awards other relief such as an award of attorneys' fees and costs to employees seeking to enforce the ordinance.

Employers must also remember to post the new minimum wage ordinance poster.

For more information on SFMWO, please visit: <http://sfgsa.org/index.aspx?page=411>

### Recent Minimum Wage Increases In Other California Cities

Oakland: \$12.25 as of March 2, 2015 (increase from \$9.00)

Richmond: \$9.60 as of January 1, 2015 (increase from \$9.00)

San Jose: \$10.30 as of January 1, 2015 (increase from \$10.15)

San Diego: \$9.75 as of January 1, 2015 (increase from \$9.00)

## General Recommendations For Managing Minimum Wage Increases

- Update payroll systems to ensure non-exempt employees are paid at least the minimum wage.
- Update minimum wage posters and inform employees about new rates.
- If a third-party payroll company is used, confirm it is aware of the changes and has updated its payroll systems accordingly.
- Confirm that salaries of exempt employees are at least 2.0 times the minimum wage.

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Clients with questions about this e-Alert or related issues are welcome to contact the article authors, or the Rutan & Tucker attorney with whom you are regularly in contact.

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