



January 6, 2025

TO: Business, Payroll and Personnel Administrators
Los Angeles County School and Community College Districts
Charter Schools and Other Local Educational Agencies

FROM: Jonah Austria, Payroll Systems Coordinator
District Personnel Information Services
Division of School Financial Services

SUBJECT: 2025 California Minimum Wage Increase

This bulletin provides updated information about the California Minimum Wage. In April 2016, the Governor signed Senate Bill 3 (SB 3), which would raise the statewide minimum wage to \$15.00 per hour by January 2023. A provision within the law, Labor Code 1182.12 (c), requires the California Department of Finance to annually calculate potential wage increases for the following year.

In accordance with Labor Code section 1182.12, the Director of Finance certifies that an inflationary adjustment has been calculated for the upcoming year.

The current minimum wage for all California employees is \$16.00 per hour, which was implemented on January 1, 2024. Pursuant to Labor Code section 1182.12(c), the Director of Finance has determined that the rate of increase in inflation for the 12-month period from July 1, 2023, to June 30, 2024, compared to the prior period, has increased by 3.18%.

As a result, the minimum wage will increase by 3.18% to \$16.50 per hour, effective January 1, 2025, for all employers.

The California Department of Industrial Relations is responsible for publishing the “Official Notice: California Minimum Wage (MW-2023),” typically posted by employers in the workplace. This notice can be found at https://www.dir.ca.gov/dlse/faq_minimumwage.htm.

Most employers in California are subject to federal, state, county, or city specific minimum wage laws. The minimum wage is based on where the work is performed, not where an employer is headquartered. When there are conflicting requirements in the laws, the employer must follow the one that is most beneficial to the employee. Additionally, the Department of Industrial Relations makes no distinction between adults and minors when it comes to payment of the minimum wage; therefore, the minimum wage is the same for both adult and minor employees.

Unincorporated areas within Los Angeles County established a different minimum wage scale beginning July 2023. At the time of this bulletin's publication, the County of Los Angeles exempted public employers from the minimum wage requirements. For more information, consult the County of Los Angeles website at <http://dcba.lacounty.gov/>. Additionally, several other cities have been establishing their own minimum wage scales that are different from the state's. It is important for Local Educational Agencies (LEAs) to stay informed about any new local minimum wage changes that apply within their boundaries and whether or not the changes are applicable to the LEA.

If you have questions, please contact austria_jonah@lacoed.edu or sfs_payroll_manager@lacoed.edu.

Approved:
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JA:sm

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