

Higher Pay and More Sick Leave Coming to Santa Monica Employees

Article By:

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Continuing the trend of increasing minimum wages throughout California and the country, the Santa Monica City Council voted to approve a minimum wage ordinance, which becomes effective on July 1, 2016. The ordinance is similar to that passed in the city of Los Angeles and includes phased increases of minimum wage for employees within the city of Santa Monica through 2020. Qualifying non-profits and employers with 25 or fewer employees will have a one-year delay to 2021 to reach the top minimum wage rate.

Starting on July 1, 2016, the minimum wage for Santa Monica employees will increase to \$10.50 per hour, just as it will for employees in Los Angeles. Also mirroring the Los Angeles ordinance, the minimum wage in Santa Monica will increase to \$12.00 in 2017, \$13.25 in 2018, \$14.25 in 2019, and then finally to \$15.00 in 2020.

The ordinance provides for an even higher minimum wage for Santa Monica hotel workers, starting at \$13.25 on July 1, 2016 and then increasing to \$15.37 on July 1, 2017. This provision applies to all Santa Monica hotels and motels, no matter the size, and applies to employees working in any capacity, including at on-site restaurants.

The new law will also include a first time employee exception, allowing employers to pay first-time workers (meaning, someone working for the first time in an activity) 85% of the mandatory minimum wage for the first 480 hours or six months of work, whichever is sooner.

The new Santa Monica ordinance does differ from the Los Angeles law in some respects since it exempts employees covered by collective bargaining agreements and it does more than just impact the minimum wage. The Santa Monica City Council also included provisions relating to sick leave. Under these provisions, individuals who work for employers with 26 or more employees will receive nine paid sick days and those who work for employers with less than 26 employees will receive five paid sick days. These provisions exceed those recently enacted by the California Paid Sick Leave Law, which provides employees with three paid sick days.

Because minimum wages throughout the state and the country are rapidly changing and employers may employ individuals in many different jurisdictions, employers must keep abreast of all minimum

wage laws. Prior to July 1, employers should take note of any employees working in Santa Monica and ensure they are being paid consistent with the new law. Employers should also ensure they are increasing their employees' hourly rates each year. Lastly, employers who employ individuals in Santa Monica must analyze and potentially revise their sick leave policies, even if they seem to be consistent with the California Paid Sick Leave Law.

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