

West Hollywood Wins The Gold Medal For Highest Minimum Wage In The Nation — \$19.08!

California Employment Law Update on July 11, 2023

The so-called “Fight for 15” – those widespread protests for a \$15 minimum wage – are so passé now!

As of July 1, 2023, West Hollywood takes the crown for the highest mandated minimum wage in the United States at \$19.08. Why they didn’t just top it off at \$20 is anyone’s guess. (Not to be completely outmatched, several other localities raised their minimum wage as of July 1, too, as we recently reported [here](#).)

Although West Hollywood has now adopted a single, across-the-board minimum wage for those employers who still happen to be doing business within the city limits, the city council previously tinkered with different minimum wages based on employer size (50 or more employees meant a higher minimum wage) and set a still higher minimum wage for hotel employees – based most likely on the assumption it’s harder for a hotel to flee the jurisdiction than some other businesses. Other localities have set their own employer-size benchmarks or have established different rates for different types of employers (e.g., nonprofit organizations, franchisees) or employees (e.g., on-call employees vs. government-supported employees).

However, West Hollywood has also enacted some limited relief for certain employers. Businesses are eligible to apply for a one-year waiver if they can demonstrate that complying with the new rate would force the business to “file bankruptcy[,] shutdown, reduce its workforce by more than twenty percent (20%), or curtail its Employees’ total hours by more than thirty percent.”

One West Hollywood restaurant owner reported to the [Los Angeles Times](#) since the city began raising the minimum wage this year (first to \$17.50 and now to \$19.08) his restaurant lost \$100,000 just in the first quarter of 2023, and that he has been forced to reduce his staff by one-third from 120 to 80 employees and has cut 1,000 working hours. Another establishment reduced its bar staff from 30 to 22 employees.

We can't help but think of Mao Zedong, who famously said, "Let a hundred [minimum wage laws] bloom," as the growing patchwork of such laws continues to expand in scope and complexity with absolutely no consideration of the impact such confusing and conflicting laws might have upon law-abiding employers who are just trying to keep their businesses afloat. To name just one example, there are parts of Woodbury Avenue in Los Angeles County where businesses on one side of the street are subject to a minimum wage that is *three cents higher* than on the other side.

Many of the dozens of local governments that have enacted their own very special minimum wage laws have indexing provisions so that the minimum wage rises annually to adjust for inflation. Other localities have made frequent amendments to their ordinances to account for inflation or make other changes. Thus, employers must be vigilant to ensure they remain on top of changes to local laws.

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