

e-Alert

11.16.21

California Announces 2022 Salary Level for Computer Software Employee Exemption

Background

Under California's Division of Labor Standard Enforcement (DLSE), [computer software employees](#) are exempt from the state's overtime pay requirements if they meet all the requirements for the exemption. One of the criteria is that the employee's hourly rate is not less than the predetermined rates outlined by the Department of Industrial Relations. Each October, the DLSE publishes rates in the [California Consumer Price Index \(CCPI\)](#) to be effective on January 1 of the following year.

Summary

Effective January 1, 2022, the *minimum* wage for eligible computer software employees will [increase](#) to:

- \$50.00 per hour;
- \$8,679.16 per month; or
- \$104,149.81 per year.

These above parameters reflect the 5.3% increase that was set forth by the CCPI for Urban Wage Earners and Clerical Workers.

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Employer Next Steps

- Employers should review their exemption requirements and payroll records to ensure they are compliant with the updated parameters.
- If you are a Full-Service or Virtual HR client and would like our assistance with reviewing your exemption requirements, please [email us](#).

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