



# 2026 Minimum Wage Increase

B2W Community of Practice

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# Employment Updates

# How We Got Here

## GENERALLY

- Minimum wage is adjusted annually for inflation based on the national consumer price index for urban wage earners and clerical workers (CPI-W).
- Minimum wage cannot be lowered, even if there is a negative CPI, and the highest raise allowed in any one year is 3.5 percent.
- Governor is no longer able to pause a scheduled increases
- Must look at both City and County – provide the highest wage

AB 1228 (2024) –  
Fast Food Workers  
at \$20/hr

SB 828 (2024), SB  
159 (2024), and SB  
525 (2025) –  
Healthcare Workers  
at \$20-25/hr

# California Minimum Wage

## HOURLY

\$16.00

• 2024

\$16.50

• 2025

\$16.90

• 2026

## EXEMPT

\$66,560

• 2024

\$68,640

• 2025

\$70,304

• 2026

# Public Benefits

## CalFresh/SNAP

### ▶ Gross (Also Net/Asset Tests):

1 person - \$2608 / month (\$298)  
2 people - \$3526 / month (\$546)  
3 people - \$4442 / month (\$785)  
4 people - \$5358 / month (\$994)  
5 people - \$6276 / month (\$1183)  
6 people - \$7192 / month (\$1421)

## Medi-Cal

### ▶ Income Limit (138% FPL)

1 person - \$1,799.75/mo  
2 people - \$2,432.25/mo  
3 people - \$3,064.75/mo  
4 people - \$3,697.25/mo  
5 people - \$4,329.75/mo  
6 people - \$4,962.25/mo

# Other Employment Laws for 2026

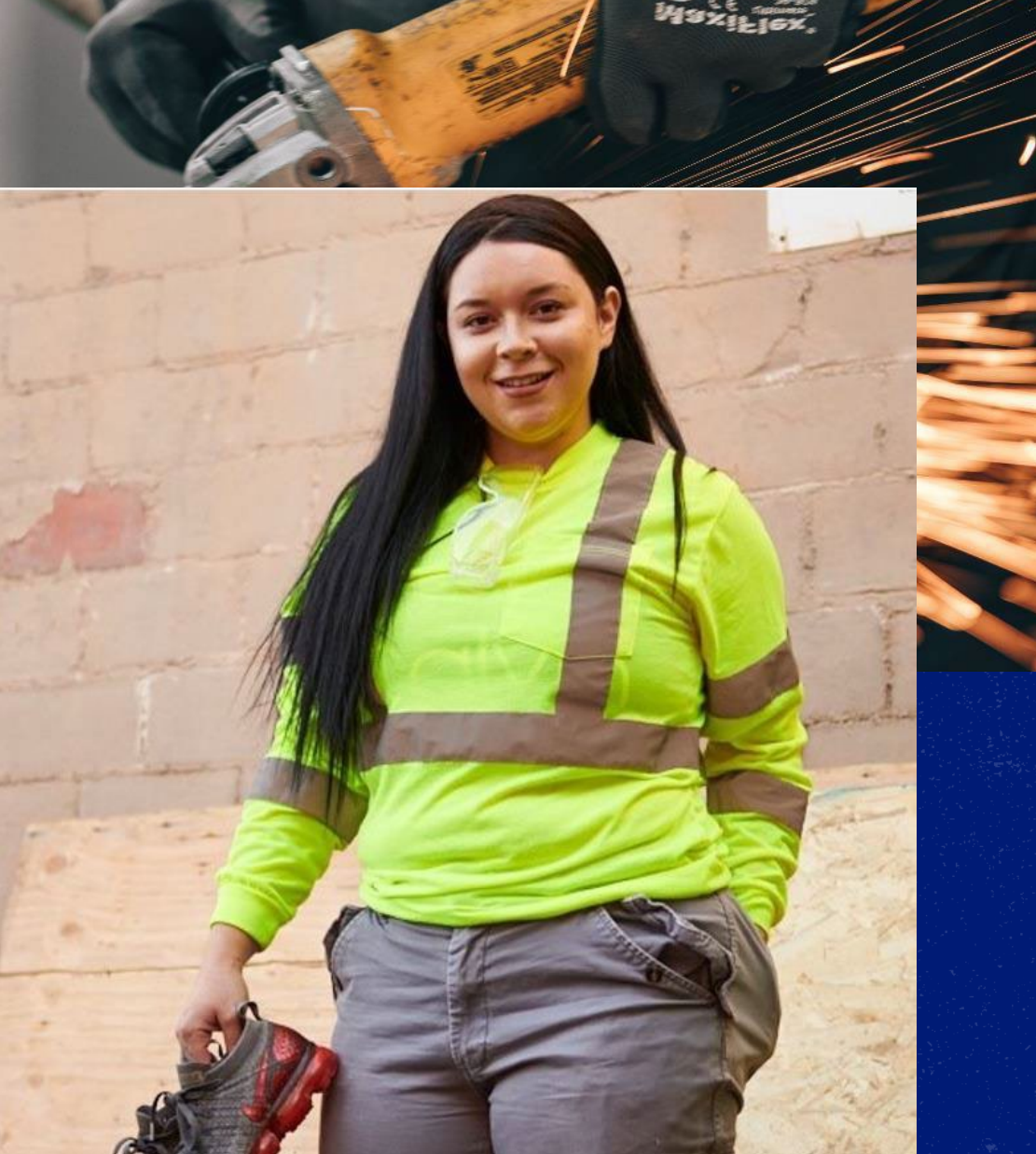
- [SB 648](#) into law amending Labor Code section 351 to give the Labor Commissioner power to investigate employee complaints about tips, and issue citations or file a civil action against an employer for taken, withheld, or late gratuities.
- [AB 692](#) prohibits many “stay-or-pay” agreements as part of the state’s continued efforts to protect employee mobility. This new law bars common arrangements that require an employee to reimburse employers for costs like relocation expenses and work-related training programs if the employment ends before an agreed upon time, with exceptions for certain tuition and upfront discretionary bonus repayments.
- [SB 513](#) amends Labor Code section 1198.5 to expand the personnel records that employers must make available to employees for inspection to include education and training records.
  - Employee’s name, Name of trainer, Date and duration of training, Core competencies addressed (e.g., skills in equipment or software), Resulting certification or qualification.
- [SB 261](#) expands the authority of the Division of Labor Standards Enforcement in wage claim matters, including actions to recover wages, penalties, and other demands for compensation. Employers that fail to satisfy wage judgments within 180 days will be subject to new civil penalties up to three times the outstanding judgement amounts.

# Discussion Groups





- **Budgetary Impact** Higher wage costs impact on program budgets. Potential strain on funding or the need to seek additional funding or adjust program budgets to maintain service levels.
- **Program Design Adjustments:** With higher wages, subgrantees may need to rebalance resources or adjust programming to manage the increase in cost while still providing a meaningful experience
- **Impact on Labor Markets:** Minimum wage shifts may cause short- and long-term shifts in transitional and permanent employment.



## Additional Resources

- [B2W Resource Page](#) – includes Community of Practice content, B2W contact sheet, B2W advocacy materials & more!
- [Managing a Social Enterprise: Compensation & Benefits Overview](#)
- [CA RISE California Human Resource Upskilling Series](#)
- [Non-profit Finance Fund Budgeting Resilience Tools](#)
- [B2W Transition Toolkit](#)