

Hospitality Minimum Wage Ordinance (HMWO)

Frequently Asked Questions

What is the Hospitality Minimum Wage Ordinance?

The City of San Diego adopted the Hospitality Minimum Wage Ordinance (HMWO) on October 8, 2025, (O-2203) to ensure that employees working in hotels, event centers, and amusement parks are paid a fair wage that reflects the region's high cost of living.

When does the Ordinance go into effect?

The HMWO goes into effect July 1, 2026.

Who is entitled to the hospitality minimum wage rates under the Ordinance?

A worker may be covered by the Ordinance if they:

- Work at least 2 hours of work within the City of San Diego in one or more calendar weeks of the year for a hospitality employer
- Perform work directly related to a covered hotel, event center, or amusement park
- Qualify as an employee under California law

Which businesses are considered hospitality employers?

Covered hotels, event centers, or amusement parks, as defined by the Ordinance as:

- Contracted, leased, or sublet premises or facilities on the grounds of a covered hotel, event center, or amusement park that are directly related to the operation of the property and operate for at least 30 days in a calendar year; or
- Any contracted housekeeping, janitorial, security parking, valet parking, food preparation, ushering, ticket-taking, concession, retail store, massage or spa, restaurant, bar or landscaping services that are provided on the grounds of a covered hotel, event center, or amusement park.

What **hotels** are covered?

- A covered hotel is a privately owned lodging facility located within the City of San Diego that contains at least **150 guest rooms or suites** rented to the public for periods of 30 days or fewer.
- Covered hotels include restaurants, bars, banquet halls, event spaces, retail shops, parking facilities, spas, and other facilities located on the grounds of the hotel.

What **event centers** are covered?

The Ordinance identifies the following event centers:

- Petco Park;
- Pechanga Arena San Diego;
- San Diego Convention Center; and
- Civic Theatre.

Covered event centers include restaurants, bars, retail shops, parking facilities, and other facilities located on the grounds of the event center.

What **amusement parks** are covered?

A covered amusement park is a for-profit facility that is:

- Located within the City of San Diego;
- Comprised of at least 75 contiguous acres;
- Open to the public for entertainment or amusement;
- Contains permanent amusement rides; and
- Operated under a lease, operating agreement, or other contractual agreement with the City.

Temporary or seasonal fairs, carnivals, festivals, or similar short-term events operated for fewer than 30 days in a calendar year are not covered amusement parks.

What is the required hospitality minimum wage rate?

Effective Date	Hotels & Amusement Parks	Event Centers
July 1, 2026	\$19.00 per hour	\$21.06 per hour
July 1, 2027	\$20.50 per hour	\$22.00 per hour
July 1, 2028	\$22.00 per hour	\$23.00 per hour
July 1, 2029	\$23.50 per hour	\$24.00 per hour
July 1, 2030	\$25.00 per hour	\$25.00 per hour

Beginning July 1, 2031, the hospitality minimum wage rate will increase annually based on the Consumer Price Index. The City will calculate and publish these rates no later than April 1 each year.

What notices must employers provide?

Employers must:

- Post the City-issued minimum wage notice in a visible location- at the workplace
- Provide written notice to current and new employees that includes employer information and the employee's rights
- Provide notices in English and any language spoken by at least 5% of employees, when available from the City

What records must employers keep?

Employers must maintain accurate written or electronic records of hours worked and wages paid for at least **three years** and provide them to employees as required by law.

Are employees protected from retaliation?

Yes. Employers are prohibited from retaliating against employees who exercise their rights under the Ordinance.

Protected activity includes, but is not limited to:

- Requesting payment of the applicable hospitality minimum wage
- Filing a complaint or participating in an investigation
- Informing other employees about their rights under the Ordinance

Any adverse action taken against an employee within 90 days of protected activity is presumed to be retaliation.

What can employees do if they believe their rights were violated?

Employees may:

- File a complaint with the City's Enforcement Office
- File a civil lawsuit without first filing a complaint with the City

Potential remedies can include:

- Back wages
- Reinstatement
- Double liquidated damages
- Attorney's fees

What penalties apply to employers who violate the ordinance?

Employers may face:

- \$500- \$1,000 penalties per violation (each unpaid day counts separately)
- Higher penalties for retaliation (\$1,000- \$3,000 per violation)
- Penalties for failing to post notices or cooperate with a City investigation
- Increased penalties for repeated violations

Can a collective bargaining agreement waive the minimum wage requirement?

Yes, but only if a **collective bargaining agreement** clearly and unambiguously states the Ordinance is waived. Employers must provide the agreement to the City upon request.

Does this Ordinance replace other minimum wage laws?

No. If federal, state, or local minimum wages are higher, the employer must pay the higher rate. The Ordinance does not prevent employers from paying more.

What if I only occasionally work for my hospitality employer or have a seasonal job?

Employees are covered if they perform at least two (2) hours of work in a calendar week.

How does the HMWO apply if the location where I work has fewer than 150 hotel rooms or fewer than 75 contiguous acres?

The HMWO applies only to covered hospitality employers as defined by the Ordinance.

- Generally, a hotel must have 150 or more guest rooms to be covered.
- An amusement park must be located on 75 or more contiguous acres to be covered.

If the location where you work does not meet these size requirements, you may not be covered by the HMWO. However, you may still be entitled to other minimum wage protections, including the City of San Diego Minimum Wage Ordinance or other applicable state or federal wage laws. Employees and employers may contact the City's Enforcement Office for help determining whether a specific workplace is covered.

I work at a restaurant located at an event center. Am I a covered employee even if my employer is not the venue owner or lessee?

Yes. You may be a covered employee even if your direct employer is not the event center owner or lessee.

Employees who work for a business operating on covered property may be covered by the HMWO if the business operates at the covered property for at least thirty (30) days in a year.

Will the hospitality minimum wage still increase if inflation goes down in a particular year?

After the scheduled wage increases are complete, future annual increases will be tied to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). If the CPI-W does not increase for a particular year, the hospitality minimum wage rate will remain the same for the upcoming fiscal year.

Does the HMWO affect my right to be paid sick leave or other benefits?

No. The HMWO does not change an employer's obligations under other applicable laws, ordinances, contracts, or agreements. Employees may still be entitled to paid sick leave, other wage protections, or benefits under City, state, or federal law, or under an applicable employment agreement or collective bargaining agreement.

I filed a complaint against my employer, and the business has been sold. What happens if the business changes ownership during the investigation of my complaint?

A successor entity may be responsible for unpaid wages, penalties, or other remedies owed under the Ordinance, depending on the circumstances.

Do tips count toward the minimum wage?

No. Employers must pay at least the full hospitality minimum wage before tips. Tips cannot be used as a credit toward the minimum wage.

Can an employer take credit for meals or lodging?

A hospitality employer may claim credit for meals or lodging only if the employer meets the requirements to claim that credit under applicable California law.

What types of evidence can I use if my employer failed to keep records?

If an employer fails to keep required records, employees may provide other evidence to support their complaint. Evidence may include the employee's own records or reasonable estimates of hours worked and wages paid.

Examples may include:

- Text messages
- Work schedules
- Notes or calendars
- Pay stubs or wage statements
- Bank records
- Payment app records, such as Venmo, Zelle, or Cash App
- Photos, emails, or other documents related to the work performed

The City may consider available evidence when determining whether a violation occurred.

Does the hospitality minimum wage apply to overtime?

Yes. Hospitality employers may not fail to pay overtime wages owed to an employee based on the applicable hospitality minimum wage.

I work at multiple locations. How does the Ordinance apply?

If any of your work occurs within the City of San Diego and is connected to a covered hospitality employer, you must be paid the hospitality minimum wage for all hours worked within City limits.

How will I know the new wage each year?

The City will publish updated hospitality minimum wage rates and notices by April 1 each year. Employers must post the updated notice in a visible workplace location.

The City of San Diego Minimum Wage Program is providing this information as general guidance on the City's Hospitality Minimum Wage Ordinance. This information is provided as a public service and should not be construed or relied upon in any way as legal advice or a legal opinion.