The City of SAN DIEGO

CITYWIDE MINIMUM WAGE AND LABOR STANDARDS ENFORCEMENT FEE

Notice to Businesses:

Effective November 1, 2026, all businesses within the City must pay an annual Citywide Minimum Wage and Labor Standards Enforcement fee of **$2.82** per employee working within the geographic boundaries of the City of San Diego.

Who Must Pay This Fee?

Any business with one or more employees performing work within the City of San Diego boundaries, including businesses located outside the City. The fee applies to all employers, including non-profit and tax-exempt organizations.

Does the Fee Apply to All Employees?

The fee is calculated based on the number of employees working within the geographic boundaries of the City of San Diego, as reported on the business tax application or renewal in accordance with the San Diego Municipal Code.

Businesses can use this tool to confirm if work location is within City limits: City of San Diego Geographic Boundaries Map. Independent contractors are not considered employees. While business owners are not considered employees, paid officers of a corporation are considered employees.

What Does The Fee Fund?

The fee supports the administration, investigation, and enforcement of the City's Earned Sick Leave and Minimum Wage Ordinance and Hospitality Minimum Wage Ordinance, administered by the Office of Labor Standards and Enforcement (OLSE).

Are There Exemptions To The Fee?

Yes. Sole proprietors with no employees (i.e. self-employed individuals) are exempt but must report zero employees on their business tax application or renewal to avoid to assessment of the fee.

Need Help?

For questions about this fee or the ordinance requirements, contact OLSE at SDMinWage@sandiego.gov.