

Division of Labor Standards Enforcement

History of Rate of Pay for Exemption for Computer Software Employee (California Labor Code Section 515.5(a)(3))

[Labor Code Section 515.5](#) provides that certain computer software employees shall be exempt from the requirement that an overtime rate of compensation be paid pursuant to [Labor Code Section 510](#), if certain criteria are met. One of the required criteria is that the employee's hourly rate of pay not be less than a certain threshold dollar amount. The Division of Labor Statistics and Research is responsible for adjusting this pay rate on October 1 of each year to be effective on January 1 of the following year by an amount equal to the percentage increase in the California Consumer Price Index for Urban Wage Earners and Clerical Workers. Below is the history of this required hourly pay rate.

Effective Date	New Rate of Pay	Old Rate of Pay	Amount of Increase	Percentage of Increase Over Previous Rate
January 1, 2012	\$38.89 or annual salary of not less than \$81,026.25 for full-time employment, and paid not less than \$6,752.19 per month	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than \$6,587.50 per month	Increase of \$.95 or increase of \$1,976.25 annual salary, or increase of \$164.69 per month	2.5%
January 1, 2011	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than \$6,587.50 per month	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than \$6,587.50 per month	0	0
January 1, 2010	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than	0	0

	\$6,587.50 per month	\$6,587.50 per month		
January 1, 2009	\$37.94 or annual salary of not less than \$79,050 for full-time employment, and paid not less than \$6,587.50 per month	\$36.00 or annual salary of not less than \$75,000 for full-time employment, and paid not less than \$6,250 per month.	\$1.94 or \$4050 annual salary for full-time employment and \$337.50 per month	5.4 percent
September 30, 2008	\$36.00 or annual salary of not less than \$75,000 for full-time employment, and paid not less than \$6,250 per month.	\$36.00	AB 10 Provided additional requirements of annual and monthly salary	No percentage change
January 1, 2008	\$36.00	\$49.77	SB 929 Decrease \$13.77	Decrease 27.65 percent
January 1, 2007	\$49.77	\$47.81	\$1.96	4.1 percent
January 1, 2006	\$47.81	\$45.84	\$1.97	4.3 percent
January 1, 2005	\$45.84	\$44.63	\$1.21	2.7 percent
January 1, 2004	\$44.63	\$43.58	\$1.05	2.4 percent
January 1, 2003	\$43.58	\$42.64	\$0.94	2.2 percent
January 1, 2002	\$42.64	\$41.00	\$1.64	4.00 percent
September 19, 2000	\$41.00			