DIR Updates 2023 California Exemption Rates for Computer Software Employees and Licensed Physicians and Surgeons

Each year, the California Department of Industrial Relations (DIR) updates the minimum pay requirements for certain exempt professions. This October, the DIR updated the 2023 rates for computer software employees and licensed physicians and surgeons. The new rates will go into effect on January 1, 2023, and reflect the 7.6% increase in the California Consumer Price Index (CCPI) for Urban Wage Earners and Clerical Workers. For workers who meet the requirements for a computer software employees exemption, the DIR increased the computer software employees' rates as follows:

- Minimum hourly rate of pay exemption from \$50.00 to \$53.80.
- Minimum monthly salary exemption from \$8,679.16 to \$9,338.78.
- Minimum annual salary exemption from \$104,149.81 to \$112,065.20.

For workers who meet the requirements for a <u>licensed physicians and surgeons</u> exemption, the DIR has increased the minimum hourly rate of pay exemption from \$91.07 to \$97.99.

Employers with questions should contact experienced counsel.

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