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New Exceptions to California Fast Food Minimum Wage Law



Assembly [Bill 1228 took effect](#) on April 1, 2024, addressing, in part, the California fast food minimum wage law.

However, on March 25, 2024, California Governor Gavin Newsom signed Assembly Bill 610 ([AB 610](#)), which added exceptions to the fast food minimum wage law.

Effective upon enactment as an urgency statute, AB 610 exempts certain restaurants from the definition of "fast food restaurant" and, along with it, the \$20 per hour minimum wage requirement. AB 610 states "restaurants that are operated in conjunction with larger enterprises such as airports, hotels, large event centers, theme parks, museums, gambling establishments, corporate campuses, and certain public lands, generally do not share the same characteristics as traditional fast food restaurants that are part of national fast food chains, because restaurants operated in conjunction with larger enterprises have distinct economics and a captive customer base, are often operated subject to concession or food service contracts, and have different employment structures."

As such, AB 610 provides that a "fast food restaurant" does not include any restaurant that is:

- Located in an airport but excluding any military base or federally operated facility.
- Connected to or operated in conjunction with hotels, event centers, theme parks, public or private museums, or gambling establishments.
- Located in and operated in conjunction with a building, group of buildings, or campus used for office purposes by a single, for-profit corporation primarily serving employees *and* part of, or subject to, a concession or food service contract covering the building, group of buildings, or campus.
- Located on certain public lands owned by the state, city, or county, such as a port district or land managed by a port authority or port commission, a public beach, public pier, state park, municipal or regional park, or historic district, *and* is operated pursuant to a concession agreement or food service contract.

California companies with questions about the exemptions created by AB 610 should contact experienced counsel.

Authors

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