

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

RAISES MINIMUM WAGE. INITIATIVE STATUTE. Existing law requires annual increases to California’s minimum wage until it has reached \$15.00 per hour for all businesses on January 1, 2023. This measure extends these annual increases (\$1.00 per year) until minimum wage—currently, \$15.00 per hour for businesses with 26 or more employees, and \$14.00 per hour for smaller businesses—reaches \$18.00 per hour. Thereafter, as existing law requires, the minimum wage will annually adjust for inflation. In periods of decreased economic activity, or General Fund deficit, the Governor may suspend annual increase up to two times, thereby extending timeline for reaching \$18.00 per hour. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Unclear change in annual state and local tax revenues, likely between a loss of a couple billion dollars and a gain of a few hundred million dollars. Increase in annual state and local government costs likely between half a billion dollars and a few billion dollars.**

(21-0043A1.)