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WAGE PAYDAYS AND PAY PERIODS: THE LAW IN CALIFORNIA EXPLAINED

California law controls when, where, and how employees must be paid, requiring most workers to receive their wages at least twice a month on regular paydays.

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Kyle D. Smith is a California employment lawyer and the author of the articles on WorkLawyers.com. He represents employees in disputes with their employers, from unpaid wages and misclassification to wrongful termination.

He writes these guides to put the state’s labor laws into plain English, in neutral terms, with a citation for every claim.

Most employees in California must be paid at least twice a month, on regular paydays that their employer designates in advance.[1] Wages earned between the 1st and 15th of a month are due by the 26th of that same month, and wages earned between the 16th and the end of the month are due by the 10th of the following month.[2] When the job ends, final wages are due immediately if the employee is fired, or within 72 hours if the employee quits without notice.[3]

There are, however, many exceptions to these rules. California is often considered a progressive state, with a relatively high minimum wage, strong protections for employees, and a general embrace of unions and collective bargaining. In keeping with this reputation, California has fairly strict laws concerning *when*, *where*, and *how* employers must pay employees.

This article takes a closer look at those laws as they relate to paydays and pay periods in California.

CH. 01

The Legal Background

Pay periods in California are controlled by both state and federal laws. On the federal level, the Fair Labor Standards Act[4] (commonly referred to as the “FLSA”) provides wage and hour rules that apply to businesses across the country.

California law, on the other hand, is spread between the California Labor Code and several regulations (called “wage orders”) that were adopted by California's Industrial Welfare Commission. Although that commission was defunded in 2004, its wage orders remain in effect, and they are enforced by the Labor Commissioner's Office.[5]

California state laws usually offer more protection for workers than federal law. The minimum wage, for example, is significantly higher under state law than the minimum wage provided by federal law.[6]

When two sets of laws conflict, employers must comply with the standard that provides the greatest protection to employees, regardless of whether it is federal or state law.[7] Because California law provides a higher standard than federal law, this article will focus on payday and pay period laws under California state law.

CH. 02

What Are “Wages”?

In California, a *wage* is any payment for labor performed by an employee for an employer.[8] *Labor* includes all work or services, not just physical labor.[9]

All forms of compensation for work are wages, including:

- Hourly pay,
- A fixed salary,
- Commissions,
- Piece-rate payments, and
- Payment that varies by project or task.[10]

The term *wages* also includes benefits that an employee receives as part of their compensation, including money, room, board, clothing, vacation pay, and sick pay.[11]

CH. 03

When Regular Wages Must Be Paid

3.1 The Rule for Most Employees

Most employees must be paid at least *twice per month* on dates the employer has designated in advance.[12] These dates must be regular, and the employer is required to post a notice that shows the day, time, and location where employees can be paid.[13]

Employers, of course, can choose to pay wages more frequently. But, no matter how often an employer chooses to pay their employees, they must comply with a few important rules:

- Any wages that are earned between the 1st and 15th day of any month must be paid on or before the 26th of the same month, at the very latest.
- Any wages earned in the last half of the month must be paid on or before the 10th day of the following month.[14]

These deadlines fit employers that split each month into halves. Many employers instead run weekly or biweekly payrolls, or semimonthly payrolls covering different date ranges. Those schedules are also lawful, as long as the wages are paid within seven calendar days after each payroll period closes.[15]

Employers *must* pay their employees even if they do not submit their timecard on time, although the wages will be limited to what the employer reasonably knows they owe.[16]

If a payday falls on a holiday, and the employer's business is closed, then the employer is entitled to pay their employees on the following business day.[17]

There are several exceptions to these rules, which are explained in more detail below.

3.2 Overtime and Unusual Hours

Overtime wages can sometimes be more difficult for employers to calculate than other types of wages. The same is true of all wages earned in excess of the normal work that an employee does.

As such, California law permits all wages earned for labor in excess of the normal work period to be paid on the payday for the next regular payroll period.[18]

3.3 Exempt Employees

Employees who are classified as "exempt" under federal law are subject to slightly different rules.[19] An *exempt employee* is someone who occupies a job that is not subject to one or more sets of wage and hour laws.

In most cases, there are three simple requirements to determine whether a worker is an exempt employee under federal law:

- **Minimum Salary.** The employee must be paid a salary of at least $684 per week ($35,568 per year).[20]
- **White-Collar Duties.** The employee's primary duties must consist of administrative, executive, or professional tasks.[21]
- **Independent Judgment.** The employee's job duties must involve the use of discretion and independent judgment.[22]

If all three requirements are met, the employee will usually be classified as "exempt." There are, however, many caveats to this test, which can be read about in our article *Exempt vs. Non-Exempt Employees: Guide to California Law*.

If an employee has been correctly classified as exempt, they may be paid as infrequently as once per month.[23]

That payment must occur on or before the 26th day of the month. It must include the employee's wages for the entire month, including the portion between the 26th day of the month and the end of the month that hasn't yet been fully earned by the employee.[24]

If an exempt-classified employee is nonetheless entitled to overtime when they work more than 40 hours in a week, that overtime must be paid by the 26th day of the next calendar month, unless a collective bargaining agreement provides a different rule.[25]

In rare situations, employees who are exempt under California's wage orders, but who are not subject to the federal Fair Labor Standards Act, must be paid within seven days of the close of their monthly payroll period.[26]

Of course, employers can always choose to pay exempt employees more frequently than once a month.

3.4 Unionized Employees

When employees are covered by a collective bargaining agreement that provides for different pay arrangements, those arrangements will usually override the pay periods explained above.[27] As such, unionized employees should consult their union's collective bargaining agreement to determine their pay schedules.

3.5 Sales Commissions

A *commission* is a type of compensation paid to a person for sales-related services they render. In a commission-based arrangement, the size of the employee's compensation depends on the amount or value of the thing that was sold.[28]

Commissions from sales are a type of wage.[29] They are not owed to the employee, however, until they have been fully “earned.”[30]

The conditions that must occur before a commission is *earned* are defined by the terms of the commission agreement.[31] Once those conditions have been fulfilled, the commission is considered a wage and the employer is legally obligated to pay it the same way they would any other wage.[32]

As such, earned commissions are subject to the same rules as regular wages: most commissions must be paid, in full, at least *twice per month* on dates the employer has designated in advance, unless an exception applies.[33]

3.6 Temporary Service Employees (Temps)

Temporary service employees (often called "temps") are subject to slightly different rules than other employees.

A *temporary services employee* is someone who performs work for an agency that assigns them to perform services for different employers.[34] If the employee is assigned to work for the same client for more than 90 consecutive calendar days, these rules stop applying, unless the agency pays the employee weekly anyway.[35]

Temporary service employees are generally entitled to be paid on a weekly basis.[36] In some situations, however, the employees are entitled to be paid on a daily basis, depending on the nature of their assignments.[37]

3.7 Farm Laborers

Employees who work for a farm labor contractor must be paid at least once every week. That payday must fall on a business day designated in advance by the farm labor contractor.[38]

The paycheck must include all wages earned up to and including the fourth day before the employee's payday.[39]

3.8 Agricultural Workers

Employees who work in agricultural, viticultural, or horticultural pursuits are subject to special rules if their boarding and lodging are provided by the employer.[40] Their wages usually must be paid once per calendar month. That payday must include all wages up to the regular payday.[41]

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.[42]

3.9 Stock and Poultry Workers

Employees who work in stock or poultry raising are subject to special rules if their boarding and lodging are provided by the employer.[43] Their wages generally must be paid once per calendar month. That payday must include all wages up to the regular payday.[44]

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.[45]

3.10 Household Domestic Service Workers

Employees who work in household domestic services are subject to special rules if their boarding and lodging are provided by the employer.[46] Their wages generally must be paid once per calendar month. That payday must include all wages up to the regular payday.[47]

The employer must designate the employee's payday in advance. Two successive paydays cannot be more than 31 days apart.[48]

3.11 Car Salespeople

Most car salespeople earn a commission for the sales they make. Those commissions are subject to slightly different rules than other forms of payment.

If the employer is licensed as a vehicle dealer by California's Department of Motor Vehicles, car sales commissions must be paid once per month on a day designated in advance by the employer as the regular payday.[49]

If, however, the car salesperson is subject to a collective bargaining agreement that provides for the date on which wages shall be paid, that agreement will usually control when wages must be paid.[50]

3.12 Striking Employees

When one or more employees go on strike, their earned but unpaid wages must be paid on the next regular payday. Employers are not allowed to reduce or deduct from their paychecks due to the strike.[51]

CH. 04

When Final Wages Must Be Paid

The timing of an employee's final wages depends on the circumstances of their discharge.

4.1 Terminations

When an employee is terminated by their employer, they are entitled to be paid *immediately* when the decision to terminate them is announced.[52]

4.2 Resignations

When an employee suddenly quits, they are generally entitled to have their final wages paid within *72 hours of their resignation*. If, however, they provide at least 72 hours of notice to their employer of their intention to quit, they are entitled to have their full wages paid *immediately* at the time of quitting.[53]

An employee who quits without giving 72 hours of notice is entitled to have their final wages mailed to them if they request it and designate a mailing address. The wages are then considered paid on the date of the mailing.[54]

4.3 Vacation Pay

California law regards a paid vacation as a form of wages.[55] Paid vacations are compensation for labor the employee performs, but the payment is delayed until the employee takes the vacation.[56]

Employers are not required to offer vacation pay to their employees,[57] but they must follow certain rules if they do.

If an employment agreement includes paid vacations, an employee is entitled to be paid wages for unused vacation time that has vested at the time the employee's work ends.[58] The right to a paid vacation vests as the employee performs the work that entitles the employee to a paid vacation.[59]

When employment is terminated, the employee is entitled to be paid for the portion of the employee's unused paid vacation that the employee has earned.[60]

4.4 Certain Seasonal Employees

Employees who work seasonally and are laid off by their employer are sometimes *not* entitled to immediate payment when they are discharged.

If the employee is seasonally employed in the curing, canning, or drying of any variety of perishable fruit, fish, or vegetables, their employer is allowed a reasonable time to calculate the employee's final pay, up to a maximum of 72 hours after the layoff.[61]

Employees in this situation have a right to have their final paycheck mailed to them if they request and provide an address for the employer to do so.[62]

4.5 Movie Industry Employees

In California, Hollywood rules, so it's no surprise there are special laws for employees engaged in the production of movies.

Employees hired for a temporary job that relates to a specific movie production or broadcasting project are entitled to have their final wages paid at the next regular payday.[63] If the final wages are mailed, the wages are considered paid on the date the mailing occurs.[64]

If, however, the employee is part of a union that provides for a different schedule of final payment, this rule might be a little different.[65]

4.6 Live Theater or Concert Employees

Employees who work at a venue that hosts live theater or concerts are sometimes subject to different rules regarding final wages if they are subject to a union or collective bargaining agreement.[66] In those situations, the collective bargaining agreement will provide for the time limits that employers must abide by in terms of the employees' final wages.

To be eligible for the rules of that agreement, however, the employee must be the kind of worker that is routinely dispatched to employment through a hiring hall or other system of regular short-term employment.[67] Regular, long-term employees of live theater or concert venues are subject to the normal final wage rules.

4.7 Oil Drilling Employees

Employees who are engaged in the oil drilling business are entitled to have their final wages paid within 24 hours if they are laid off. If that 24-hour period ends on a Saturday, Sunday, or a holiday, the payment must be made on the following business day.[68]

Additionally, oil drilling employees can request that their final wages be mailed to them. If the final wages are mailed, the wages are considered paid on the date the mailing occurs.[69]

CH. 05

Where Final Wages Must Be Paid

As is the case with timing concerns, where an employee's final wages must be given will depend on the circumstances of their discharge.

5.1 Terminations

When an employer decides to terminate their employee, the employer must pay the employee at the location they were terminated.[70] In other words, employees are entitled to be paid on the spot when they are fired or laid off. This will usually be the jobsite.

This is true even if wages are normally directly deposited into the employee's account. Previously-authorized direct deposits terminate when an employee quits or is discharged, so final wages must be paid under the rules above, unless the employee has specifically authorized the deposit to continue and the employer meets the final-pay deadlines.[71]

5.2 Resignations

When an employee quits their job, they usually must be paid at the office or agency of the employer in the county where the employee has been performing labor.[72]

If, however, an employee who quits without giving 72 hours of notice requests that their final paycheck be mailed to them, the employer must send the wages to the address provided by the employee instead.[73]

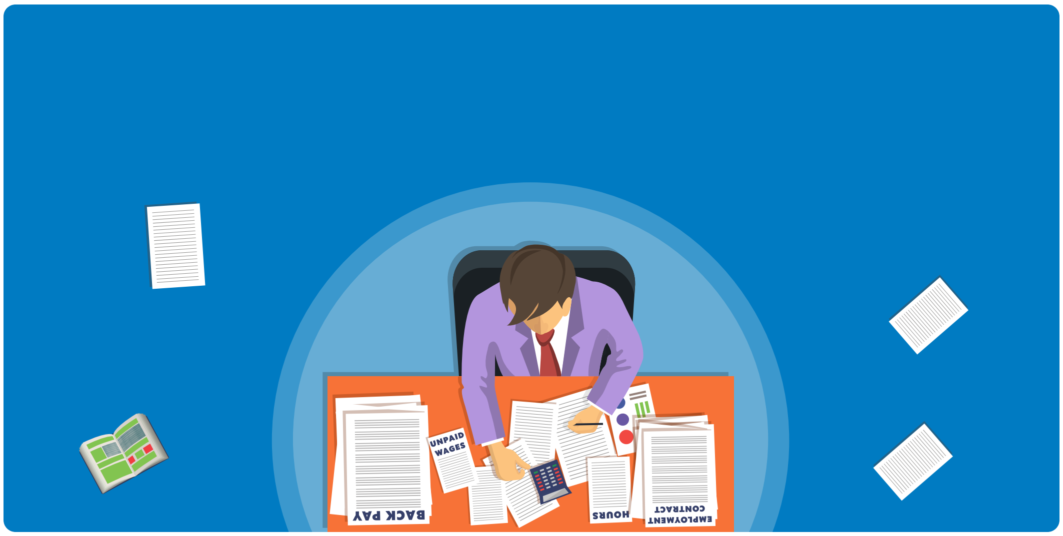
5.3 Failed Attempts to Pay

In the unusual case that an employer has attempted to pay an employee their final wages but has been unable to locate them, the employer can send the paycheck to the closest office of the Labor Commissioner, with an explanation of its efforts and as much information as possible.[74]

The office will then attempt to contact the employee.[75] Failing that, the wages will be deposited in the state's unclaimed wages fund, and the employee can search for them through the State Controller's unclaimed property program (which is always worth checking to see if you have any unclaimed money).

CH. 06

How Wages Must Be Paid



Most employers pay wages by using a company check or a check issued by a payroll service from the employer's payroll account.

Employers are permitted to pay wages by means of a personal check or in cash,[76] but they are not permitted to make “under the table” payments. Whether wages are paid by cash or by check, employers are required by state and federal law to withhold payroll taxes.[77]

If the employer pays by check, that check must be negotiable and payable in cash, on demand and without any fee or discount, at an established place of business in the state.[78] The check must show the name and address of a place where the employee can cash it. If the check is drawn on a bank, however, the bank's address does not need to appear on the check, and the employee can cash it at any of the bank's places of business in California.[79]

Employers are prohibited from paying their employees' wages with any coupon, card, merchandise, or other object if it is not redeemable for money.[80] And no fee can be charged to the employee to redeem it.

RELATED GUIDE

Payroll Debit Cards in California

Some employers offer payroll debit cards instead of checks or direct deposit. This article explains when that practice is legal.

6.1 What Wage Statements Must Contain

All employees must be given a wage statement with each wage payment, regardless of whether the wages are paid by check or cash.[81] Among other things, the wage statement must show:

- Gross and net wages paid,
- The number of hours worked during the pay period,
- The number of pieces for which the employee is being paid (if the employee is paid a piece rate), and
- Any deductions made from gross pay (like payroll taxes).[82]

6.2 Receiving Comp Time Instead of Wages

In some situations, an employee can choose to be paid in the form of paid time off, rather than being paid overtime.[83] This is sometimes referred to as *comp time* (or *compensating time*).

An employer *cannot* require an employee to take paid time off (compensating time or "comp time") instead of being paid overtime.[84] But an employee may request comp time if *all* of the following conditions are met:

- The compensating time off is provided pursuant to a written agreement between the employer and employee (or the employee's union) before the performance of the work.[85]
- The employee has not accrued more than 240 hours of comp time.[86]
- The employee made a written request to the employer asking for compensating time off in lieu of overtime compensation.[87]
- The employee is regularly scheduled to work no less than 40 hours in a workweek.[88]

If any of these conditions are not met, the employee must be paid the overtime rate they would otherwise be entitled to under the law.[89]

Compensating time must equal the overtime rate. In other words, if an employee is entitled to an overtime rate of time-and-a-half, the employee must be given an hour-and-a-half of paid time off for each hour of overtime that the employee worked.[90]

Comp time is not available to every worker. It does not apply to employees who are exempt from the wage orders' overtime rules, and it is unavailable in several industries covered by specified wage orders.[91] Employers should also be aware that federal law only recognizes comp time for public-agency employees, so a private employer who follows California's comp time rules can still owe overtime under federal law to employees the FLSA covers.[92]

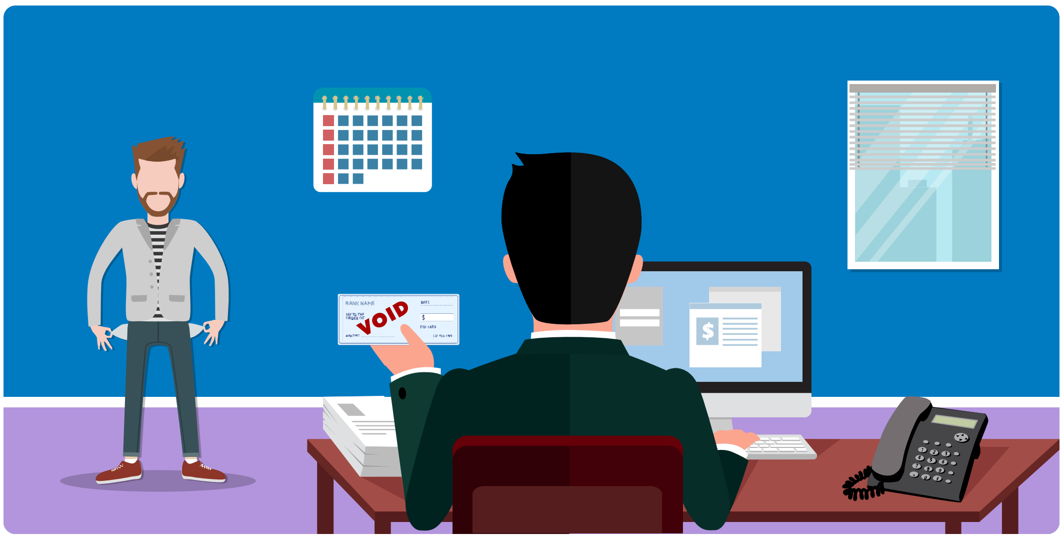
6.3 Employer's Obligation to Keep Records

The employer must keep a copy of the employee's wage statement for at least three years.[93] Current and former employees have the right to inspect or receive a copy of those records upon request.[94] The employer must comply as soon as practicable, and no later than 21 calendar days after the request; if it fails to do so, the employee or the Labor Commissioner can recover a $750 penalty.[95]

Having the right to inspect the employer's records helps employees make a claim for unpaid wages.

CH. 07

Consequences When Employers Violate the Law



Employees who have been underpaid may be entitled to several types of relief. Likewise, employers can face harsh penalties for failing to comply with their legal obligations. A few of those consequences are described below.

7.1 Waiting Time Penalties

If the employee was underpaid at the time the employment ends (i.e., because they were fired or they quit), they are entitled to a "waiting time" penalty.[96]

The waiting time penalty consists of a *full day of wages* for each day that payment is delayed. The penalty continues to accrue for as much as 30 days after discharge, depending on when payment is fully satisfied.[97]

The waiting time penalty is calculated by computing the employee's daily wage rate and then multiplying it by the number of days that payment is delayed, up to a maximum of 30 days.[98]

This penalty, however, only accrues if the employer's failure to pay the employee was "willful."[99] An act is *willful*, in this context, if the employer intentionally failed or refused to pay an amount they owed to the employee.[100]

This doesn't mean that the employer had to act with a deliberately bad or fraudulent purpose in failing to pay their employee. Rather, they just have to fail to pay wages they reasonably should have known were due.[101]

An employer's failure to pay wages is *not* willful if the employer has a good faith mistaken belief that wages are not owed.[102] But even if some of the wages are disputed in good faith, the employer is required to pay the employee any wages that are not in dispute (that is, what each agrees is owed at minimum).[103]

7.2 Criminal Liability

In some cases, when an employer severely violates the wage or payday rights of their employees, the employer can be charged with a crime.

For example, it is a misdemeanor in California for an employer to require an employee to sign a settlement agreement or a waiver of their rights in exchange for wages that the employee has already earned.[104]

Employers owe specific duties under the law, including a requirement to post a payday notice and to pay wages in accordance with the posted payday. Failure to do so can result in a misdemeanor charge.[105] An employee who believes their employer has taken advantage of them can contact a lawyer or the Labor Commissioner's Office (the Division of Labor Standards Enforcement) to determine the next steps to take.

7.3 Private Attorneys General Act (PAGA) Claims

In some cases, the employer fails to pay wages in full or on time and the employee continues to work for the employer. In these situations, the waiting time penalty doesn't apply.[106] Instead, the employer may be liable for statutory penalties.

If an employer fails to pay their employees' wages as required by law, they are subject to a civil penalty in the following amounts:

- **First Violation.** For any initial violation, the employer must pay $100 for each failure to pay each employee.[107]

Subsequent Violations. For each subsequent violation, or any willful or intentional violation, the employer must pay $200 for each failure to pay each employee, plus 25% of the amount unlawfully withheld.[108]

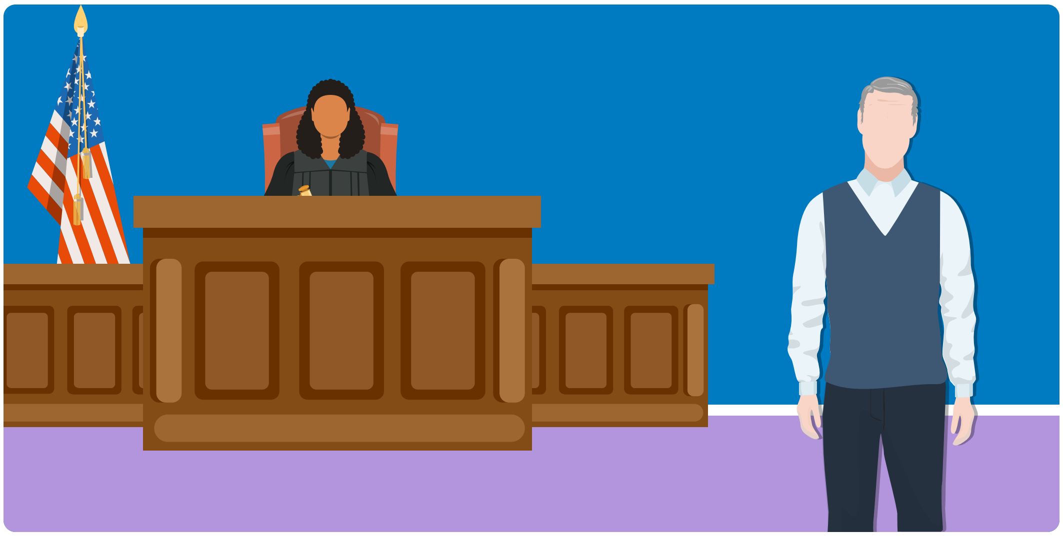
The Labor Commissioner can recover these penalties from the employer. Since 2020, however, employees have also had the right to recover the late-payment penalty for themselves, as a statutory penalty, by filing a wage claim with the Labor Commissioner.[109] Alternatively, an employee can seek civil penalties by bringing a lawsuit under the Private Attorneys General Act (a "PAGA" claim), but they cannot recover both the statutory penalty and a PAGA penalty for the same violation.[110]

An employee may bring a PAGA claim by filing a civil lawsuit against their employer.[111] To do this, however, the employee must first follow certain procedures, which are described in Labor Code sections 2698 through 2699.5.

If the employee wins, the court may award them 35% of the civil penalties due under the statute, plus reasonable attorney fees and litigation costs. The other 65% goes to the state.[112] Many attorneys take these kinds of cases on a contingency basis, without any upfront fees.

CH. 08

Enforcing an Employee's Rights



8.1 Retaliation is Prohibited

Employees who do not receive their payments in full and on time as required by law have a right to bring the issue to their employer's attention and request full compliance with their wage rights. Employers are legally prohibited from retaliating against employees who request the timely payment of their wages.[113]

Employees are also protected from retaliation if they file a complaint with a governmental agency or a lawsuit in court alleging a violation of their wage rights.[114] This means that an employee cannot be punished, fired, or treated unfairly for exercising their rights.

If the employer takes an adverse action against the employee within 90 days of the protected activity, the law presumes that the action was retaliatory, and the employer must show a legitimate, nonretaliatory reason for it.[115] An employee who proves retaliation is entitled to reinstatement and reimbursement of lost wages and benefits, and the employer can face a civil penalty of up to $10,000 per employee for each violation.[116]

8.2 Filing a Claim

Employees who believe they have been the victim of a payday or pay period violation have three basic options:

- By resolving the dispute informally with the employer,
- By filing a lawsuit in court, or
- By bringing an administrative claim for unpaid wages and penalties.[117]

The procedure for filing an administrative wage claim is explained in our article *How to File a Wage & Hour Complaint in California*. Wage claims can be filed with the Labor Commissioner online, by email, by mail, or in person at a district office, and there is no fee to file.[118] The pros and cons of wage claims and civil lawsuits are also discussed in that article.

Of course, the best way to resolve a wage dispute will depend on the employee's specific situation. It's usually a good idea to get the opinion of a lawyer before deciding how to proceed.

8.3 Deadline to File

In many cases, it is important to act fast because claims based on unpaid wages can expire. This expiration period is called a *statute of limitations*. The applicable statute of limitations will depend on the type of claim the employee pursues.

In general, a claim or lawsuit must be filed within **three years** of the alleged violation.[119] If the employee is enforcing the breach of a written employment contract, the statute of limitations is *four years*.[120] Waiting time penalties that are sought together with the unpaid final wages share the same three-year period.[121] A PAGA claim, by contrast, must be brought within *one year* of the violation (plus the required notice period), and the employee must have personally experienced a violation within that year.[122]

In some cases, litigants seek to extend the statute of limitations in their wage and hour claim by bringing the claim under California's Unfair Competition Law.[123] Those claims must be brought within *four years*.[124] It is usually better, however, to bring claims earlier, if possible, so as to avoid relying on this kind of claim in case it turns out to be inapplicable.

References

1 Labor Code, § 204, subd. (a).

2 Labor Code, § 204, subd. (a).

3 Labor Code, §§ 201, subd. (a), 202, subd. (a).

4 29 U.S.C. §§ 201–219.

5 See Cal. Code of Regs., tit. 8, § 11010 et seq.; DIR, *Effective July 1, 2004 the IWC Will No Longer Be in Operation* [wage orders remain in effect and are enforced by the Division of Labor Standards Enforcement].

6 Compare 29 U.S.C. § 206(a)(1)(C) [providing a federal minimum wage of $7.25 per hour] with Labor Code, § 1182.12 [providing a California minimum wage of $16.90 per hour in 2026, adjusted annually].

7 29 U.S.C. § 218(a); *Aguilar v. Association for Retarded Citizens* (1991) 234 Cal.App.3d 21, 34–35.

8 Labor Code, § 200, subd. (a).

9 Labor Code, § 200, subd. (b) ["'Labor' includes labor, work, or service whether rendered or performed under contract, subcontract, partnership, station plan, or other agreement if the labor to be paid for is performed personally by the person demanding payment."].

10 Labor Code, § 200, subd. (a).

11 *Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 ["Courts have recognized that 'wages' also include those benefits to which an employee is entitled as a part of his or her compensation, including money, room, board, clothing, vacation pay, and sick pay."].

12 Labor Code, § 204, subd. (a).

13 Labor Code, § 207.

14 Labor Code, § 204, subd. (a).

15 Labor Code, § 204, subd. (d) [“The requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.”].

16 DIR, *Paydays, Pay Periods, and the Final Wages* [employers must pay on the established payday even if a timecard is not submitted, covering all wages the employer reasonably knows are due].

17 *Parsons v. Estenson Logistics, LLC* (2022) 86 Cal.App.5th 1260 [payment due on a weekend or holiday is timely if made on the next business day]; DIR, *Paydays, Pay Periods, and the Final Wages*.

18 Labor Code, § 204, subd. (b)(1) [“Notwithstanding any other provision of this section, all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period.”].

19 Labor Code, §§ 204, subd. (a), 204c; see 29 U.S.C. § 213 [federal exemptions].

20 29 C.F.R. §§ 541.600(a), 541.602(a). A 2024 federal rule that would have raised this threshold was vacated by the courts and later rescinded, so the 2019 figure remains in effect.

21 29 C.F.R. §§ 541.100, 541.200, 541.300.

22 29 C.F.R. §§ 541.200(a)(3), 541.202(a).

23 Labor Code, § 204, subd. (a) [“[S]alaries of executive, administrative, and professional employees of employers covered by the Fair Labor Standards Act, as set forth pursuant to Section 13(a)(1) of the Fair Labor Standards Act, as amended through March 1, 1969, in Part 541 of Title 29 of the Code of Federal Regulations, as that part now reads or may be amended to read at any time hereafter, may be paid once a month on or before the 26th day of the month during which the labor was performed if the entire month's salaries, including the unearned portion between the date of payment and the last day of the month, are paid at that time.”].

24 Labor Code, § 204, subd. (a).

25 Labor Code, § 204.2.

26 Labor Code, § 204c.

27 Labor Code, § 204, subd. (c).

28 Labor Code, § 204.1 [“Commission wages are compensation paid to any person for services rendered in the sale of such employer's property or services and based proportionately upon the amount or value thereof.”].

29 Labor Code, § 200, subd. (a); *Sciborski v. Pacific Bell Directory* (2012) 205 Cal.App.4th 1152, 1166 [“[S]ales commissions are considered 'wages.'”].

30 See, e.g., Labor Code, §§ 201, subd. (a), 204, subd. (a), 221; see also Labor Code, § 203 [penalty for failing to pay wages on time].

31 *Koehl v. Verio, Inc.* (2006) 142 Cal.App.4th 1313, 1335 [“A commission is 'earned' when the employee has perfected the right to payment; that is, when all of the legal conditions precedent have been met. Such conditions precedent are a matter of contract between the employer and employee, subject to various limitations imposed by common law or statute.”].

32 *Sciborski v. Pacific Bell Directory* (2012) 205 Cal.App.4th 1152, 1167 [“[O]nce the express contractual conditions are satisfied, the commission is considered a wage and an employer cannot recoup the commission once it has been paid to the employee.”].

33 Labor Code, § 204, subd. (a).

34 Labor Code, § 201.3, subd. (a)(1).

35 Labor Code, § 201.3, subd. (b)(6).

36 Labor Code, § 201.3, subd. (b)(1)(A).

37 Labor Code, § 201.3, subds. (b)(2), (3) [daily pay for day-to-day assignments and for assignments to a client engaged in a trade dispute].

38 Labor Code, § 205 [“Notwithstanding the provisions of this section, wages of workers employed by a farm labor contractor shall be paid on payroll periods at least once every week on a business day designated in advance by the farm labor contractor.”].

39 Labor Code, § 205 [“Payment on such payday shall include all wages earned up to and including the fourth day before such payday.”].

40 Labor Code, § 205.

41 Labor Code, § 205; but see Labor Code, § 205.5 [providing semimonthly payment rules for agricultural employees who are not covered by section 205].

42 Labor Code, § 205.

43 Labor Code, § 205.

44 Labor Code, § 205.

45 Labor Code, § 205.

46 Labor Code, § 205.

47 Labor Code, § 205.

48 Labor Code, § 205.

49 Labor Code, § 204.1 [“Commission wages paid to any person employed by an employer licensed as a vehicle dealer by the Department of Motor Vehicles are due and payable once during each calendar month on a day designated in advance by the employer as the regular payday.”].

50 Labor Code, § 204.1.

51 Labor Code, § 209.

52 Labor Code, § 201, subd. (a).

53 Labor Code, § 202, subd. (a).

54 Labor Code, § 202, subd. (a).

55 *Suastez v. Plastic Dress-Up Co.* (1982) 31 Cal.3d 774, 779 [“It is established that vacation pay is not a gratuity or a gift, but is, in effect, additional wages for services performed.”].

56 *Suastez v. Plastic Dress-Up Co.* (1982) 31 Cal.3d 774, 780 [“[V]acation pay is simply a form of deferred compensation.”].

57 *Henry v. Amrol, Inc.* (1990) 222 Cal.App.3d Supp. 1, 5 [the law “does not require that an employer include a paid vacation as a portion of his employees' compensation”].

58 Labor Code, § 227.3.

59 *Suastez v. Plastic Dress-Up Co.* (1982) 31 Cal.3d 774, 784 [“Case law from this state and others, as well as principles of equity and justice, compel the conclusion that a proportionate right to a paid vacation 'vests' as the labor is rendered. Once vested, the right is protected from forfeiture by section 227.3.”].

60 *Suastez v. Plastic Dress-Up Co.* (1982) 31 Cal.3d 774, 784 [“On termination of employment, therefore, the statute requires that an employee be paid in wages for a pro rata share of his vacation pay.”].

61 Labor Code, § 201, subd. (a).

62 Labor Code, § 201, subd. (a).

63 Labor Code, § 201.5, subds. (a)(1), (b).

64 Labor Code, § 201.5, subd. (c) [payment may be mailed or made available at a location specified by the employer in the county where the employee was hired or performed labor; the wages are deemed paid on the date of mailing or availability, whichever is earlier].

65 Labor Code, § 201.5, subd. (e).

66 Labor Code, § 201.9.

67 Labor Code, § 201.9.

68 Labor Code, § 201.7.

69 Labor Code, § 201.7.

70 Labor Code, § 208.

71 Labor Code, § 213, subd. (d) [“If an employer discharges an employee or the employee quits, the employer may pay the wages earned and unpaid at the time the employee is discharged or quits by making a deposit authorized pursuant to this subdivision, provided that the employer complies with the provisions of this article relating to the payment of wages upon termination or quitting of employment.”]; DIR, *Paydays, Pay Periods, and the Final Wages* [previously-authorized direct deposits are immediately terminated when an employee quits or is discharged unless the employee has voluntarily authorized the deposit and the employer complies with section 213(d)].

72 Labor Code, § 208.

73 Labor Code, § 202, subd. (a).

74 DIR, *Labor Commissioner's Office Wage Claim Adjudication* [employers holding non-negotiated checks for employees they cannot locate may send them to the Labor Commissioner with an explanation of their efforts].

75 Labor Code, § 96.7 [the Labor Commissioner acts as trustee of collected unpaid wages, deposits them in the Industrial Relations Unpaid Wage Fund, and must make a diligent search to locate the worker].

76 Other types of compensation, such as stock options and profit sharing, are beyond the scope of this article. Employees should consult an employment lawyer if they need advice about any form of unpaid compensation.

77 Labor Code, § 224 [authorizing payroll tax deductions from wages].

78 Labor Code, § 212, subd. (a)(1).

79 Labor Code, § 212, subds. (a)(1), (c).

80 Labor Code, § 212, subd. (a)(2).

81 Labor Code, § 226, subd. (a).

82 Labor Code, § 226, subd. (a) ["An employer, semimonthly or at the time of each payment of wages, shall furnish to their employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of their social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly

rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee and, beginning July 1, 2013, if the employer is a temporary services employer as defined in Section 201.3, the rate of pay and the total hours worked for each temporary services assignment."].

83 Labor Code, § 204.3.

84 Labor Code, § 204.3, subd. (b).

85 Labor Code, § 204.3, subd. (b)(1).

86 Labor Code, § 204.3, subds. (b)(2), (c)(1).

87 Labor Code, § 204.3, subd. (b)(3) ["The employee has requested, in writing, compensating time off in lieu of overtime compensation."].

88 Labor Code, § 204.3, subd. (b)(4).

89 Labor Code, § 204.3, subd. (b).

90 Labor Code, § 204.3, subd. (a) ["An employee may receive, in lieu of overtime compensation, compensating time off at a rate of not less than one and one-half hours for each hour of employment for which overtime compensation is required by law. If an hour of employment would otherwise be compensable at a rate of more than one and one-half times the employee's regular rate of compensation, then the employee may receive compensating time off commensurate with the higher rate."].

91 Labor Code, § 204.3, subds. (h), (i).

92 29 U.S.C. § 207(o) [authorizing compensatory time off in lieu of overtime only for employees of a public agency].

93 Labor Code, § 226, subd. (a) ["[A] copy of the statement and the record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California. For purposes of this subdivision, 'copy' includes a duplicate of the itemized statement provided to an employee or a computer-generated record that accurately shows all of the information required by this subdivision."].

94 Labor Code, § 226, subd. (b) ["An employer that is required by this code or any regulation adopted pursuant to this code to keep the information required by subdivision (a) shall afford current and former employees the

right to inspect or receive a copy of records pertaining to their employment, upon reasonable request to the employer.”].

95 Labor Code, § 226, subds. (c), (f).

96 Labor Code, § 203.

97 Labor Code, § 203, subd. (a).

98 *Mamika v. Barca* (1998) 68 Cal.App.4th 487, 493 [“[T]he critical computation required by section 203 is the calculation of a daily wage rate, which can then be multiplied by the number of days of nonpayment, up to 30 days.”].

99 Labor Code, § 203, subd. (a).

100 *Ghory v. Al-Lahham* (1989) 209 Cal.App.3d 1487, 1492.

101 *Road Sprinkler Fitters Local Union No. 669 v. G & G Fire Sprinklers, Inc.* (2002) 102 Cal.App.4th 765, 781 [“['Willful'] does not mean that the employer's refusal to pay wages must necessarily be based on a deliberate evil purpose to defraud workers of wages which the employer knows to be due.”].

102 *Road Sprinkler Fitters Local Union No. 669 v. G & G Fire Sprinklers, Inc.* (2002) 102 Cal.App.4th 765, 782 [“An employer's good faith mistaken belief that wages are not owed may negate a finding of willfulness.”]; see Cal. Code of Regs., tit. 8, § 13520 [a good faith dispute that any wages are due precludes imposition of waiting time penalties].

103 Labor Code, § 206.

104 Labor Code, § 206.5 [“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made. A release required or executed in violation of the provisions of this section shall be null and void as between the employer and the employee. Violation of this section by the employer is a misdemeanor.”].

105 Labor Code, § 215.

106 See Labor Code, § 203, subd. (a) [waiting time penalties apply to the wages of an employee who is discharged or who quits].

107 Labor Code, §§ 210, subd. (a)(1), 225.5, subd. (a).

108 Labor Code, §§ 210, subd. (a)(2), 225.5, subd. (b).

109 Labor Code, § 210, subd. (b), as amended by Stats. 2019, ch. 716 (AB 673).

110 Labor Code, § 210, subd. (c); see Labor Code, §§ 2698–2699.5.

111 Labor Code, § 2699, subd. (a).

112 Labor Code, § 2699, subds. (k)(1), (m). These shares apply to PAGA actions filed on or after June 19, 2024; in older actions, employees receive 25% of the penalties. PAGA was substantially reformed in 2024, and employers who take reasonable compliance steps or promptly cure violations can now reduce or eliminate the penalties. (Labor Code, § 2699, subds. (d), (g), (h), as amended by Stats. 2024 (AB 2288, SB 92).)

113 Labor Code, § 98.6, subd. (a) [protecting employees who have "made a written or oral complaint that they are owed unpaid wages"].

114 Labor Code, §§ 98.6, subd. (a), 1102.5, subd. (b).

115 Labor Code, § 98.6, subd. (b)(1), as amended by Stats. 2023, ch. 612 (SB 497) ["If an employer engages in any action prohibited by this section within 90 days of the protected activity specified in this section, there shall be a rebuttable presumption in favor of the employee's claim."].

116 Labor Code, § 98.6, subd. (b); DIR, *Laws that Prohibit Retaliation and Discrimination*.

117 *Post v. Palo/Haklar & Associates* (2000) 23 Cal.4th 942, 946 ["[I]f an employer fails to pay wages in the amount, time, or manner required by contract or statute, the employee may seek administrative relief by filing a wage claim with the commissioner or, in the alternative, may seek judicial relief by filing an ordinary civil action for breach of contract and/or for the wages prescribed by statute."].

118 DIR, *How to File a Wage Claim*; see Labor Code, §§ 96, 98.

119 Code Civ. Proc., § 338, subd. (a); see *Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1110–1111 [the three-year statute governs claims for statutory wages].

120 Code Civ. Proc., § 337.

121 Labor Code, § 203, subd. (b); *Pineda v. Bank of America, N.A.* (2010) 50 Cal.4th 1389.

122 Code Civ. Proc., § 340, subd. (a); Labor Code, §§ 2699, 2699.3, as amended by Stats. 2024 (AB 2288, SB 92).

123 See Bus. & Prof. Code, § 17200 et seq.

124 Bus. & Prof. Code, § 17208 ["Any action to enforce any cause of action pursuant to this chapter shall be commenced within four years after the cause of action accrued. No cause of action barred under existing law on the effective date of this section shall be revived by its enactment."].