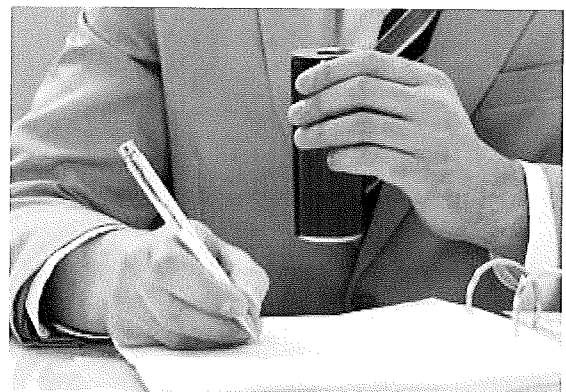From the Sacramento Business Journal:
http://www.bizjournals.com/sacramento/news/2016/04/01/surprise-under-new-minimum-wage-law-many-white.html

Surprise! Under new minimum-wage law, many white-collar workers get huge raise

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Lost in the public discussion over the new landmark minimum-wage law approved by the California Legislature this week is the subsequent dramatic raise for many white-collar professionals. Once the law is fully implemented, professionals exempt from overtime across the state would need to receive at least $62,400 annually in compensation.

State law requires employees that are exempt from overtime to earn double the minimum wage. Under California's

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Many of California's white-collar professionals would see their yearly salary raised to $62,400 a year by 2023 under the new wage law.

current minimum wage of $10, those employees must earn at least $800 a week, or $41,600 a year.

But under Senate Bill 3, the new minimum-wage legislation Gov. Jerry Brown plans to sign Monday, that salary floor would rise to $1,200 a week and $62,400 a year by 2023 for many exempt employees.

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The white-collar minimum wage would apply to a range of different professionals in jobs with high-level responsibilities. It includes managers and licensed professionals like doctors and lawyers. The definition of "exempt employee" from the California Department of Industrial Relations even includes some high-level artists or chefs — in other words, jobs that require a sufficient amount of independent judgment or creativity.

"I see this as applying to almost everybody under the sun," said Derek Decker, a civil litigation attorney and partner with Krogh & Decker.

Current law prevents certain exempt workers from getting the raise. Teachers and all other public sector workers do not qualify for the double minimum-wage rule under federal law. And the state law also has unique exceptions for certain private-sector occupations like computer software employees, drivers, student nurses, airline employees and others.

White-collar professionals that currently do receive overtime, like paralegals and receptionists, would continue to receive overtime and thus not qualify for double the minimum wage.

Although the issue did not arise in the public floor debate in the Senate and Assembly, the California Labor Federation, a bill sponsor,

confirmed that the new law did not change the current rules around exempt employees.

"The wage floor for those exempted workers will go up substantially," said Steve Smith, a spokesman for the union. "What we are doing is raising the minimum wage, and because minimum wage is going up, those numbers also go up."

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The governor's office declined to comment on whether it intended to raise annual salaries of exempt employees by supporting SB 3.

The California Chamber of Commerce said it did raise the issue to legislators as it lobbied against the bill this week, but the concern didn't appear to influence the debate because "the process was over in one week," said Jennifer Barrera, the chamber's policy advocate.

Tom Scott, state director of the National Federation of Independent Business, agreed the boon for exempt employees was likely overlooked as supporters of the new law raced to pass it through the Legislature.

"When you are trying to ramrod complicated public policy and there is no clear analysis of it, this is what you end up with," Scott said.

With passage of the law all but assured, employers may have a difficult choice ahead of them, said Mark Spring, a partner at Carothers DiSante & Freudenberger.