

Domestic Work: Pay



Frequently Asked Questions Caregivers in Private Home

How much should I pay a caregiver?

You must pay at least the minimum wage and the applicable overtime for all hours worked.

What is “hours worked?”

You must pay for all hours that the caregiver is under your control.

- ✓ If you are asking the worker to stay on the premises, even if they are not actively engaged in work, you must pay for those hours.
- ✓ If you require the caregiver to spend the night and to respond as needed, you must pay for those hours, even when the caregiver is asleep.
- ✓ If you do not allow the caregiver to leave during down times or break times, you must pay for those hours.

What is the minimum wage?

Federal, state and sometimes local laws govern the minimum wage. You must pay the highest rate. Generally, that is the California minimum wage. However, some cities like Los Angeles or San Francisco have an even higher rate. The minimum wage usually increases annually

(either in January or July), so be sure to stay current.

State MW: https://www.dir.ca.gov/dlse/FAQ_MinimumWage.htm

Do I have to pay extra if the worker works long hours?

Most domestic workers are entitled to additional pay if they work over a certain number of hours – this is called overtime pay. What your overtime obligations are depends on who hired the worker and what the worker is doing. Because the overtime laws are complex, visit the 360° Caregiving Rights Toolkit for additional resources and use the Overtime Tool:

<https://www.cadomesticworkers.org/Know-your-rights/whats-my-overtime>

What is the Regular Rate of Pay - for Overtime Purposes?

You need to know the regular rate of pay to determine overtime pay. The regular rate of pay is the worker's hourly wage. You are free to pay the worker either hourly or a flat rate. However, the flat rate payment must comply with the applicable minimum wage and overtime rules for all hours worked and the applicable overtime pay.

If you pay a flat daily rate or monthly salary, make sure you know how to calculate the regular rate of pay. That rate does not include the overtime wages, regardless of any agreement between you and the worker.

For example, if you pay the caregiver a flat rate of \$100 a day and they work 10 hours a day, the flat rate only covers 8 or 9 hours (depending on your overtime obligations), because any hours over 8 or 9 are considered overtime. Here's how you figure out the regular rate:

| | |
|--------------------------|--------------------------|
| $\$100 \div 8 = \12.50 | $\$100 \div 9 = \11.11 |
|--------------------------|--------------------------|

In either case, this flat rate violates the California minimum wage. Moreover, the worker hasn't been paid anything at all for their overtime hours.

To avoid unintentionally breaking the law, the best practice is to pay an hourly rate and the applicable overtime rate.