



INLAND REGIONAL CENTER

Enhancing Lives

...valuing independence, inclusion and empowerment

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January 3, 2022

Dear Service Provider:

2022 Minimum Wage Rate Increase

Effective January 1, 2022, due to the implementation of Senate Bill (SB) 3, the minimum wage in California will increase from \$14.00 to \$15.00 per hour for employers with 26 or more employees and from \$13.00 to \$14.00 per hour for employers with 25 or fewer employees. As authorized by the current state budget and Welfare & Institutions (W&I) Code sections 4681.6(b), 4691.6(f) and (g), and 4691.9(b), many vendors will either receive, or eligible to request, a rate increase if necessary to adjust employees' pay to comply with the minimum wage.

Providers with Rates Set through Negotiation by the Regional Centers

Statute allows regional centers to negotiate rate adjustments with providers in order to pay employees no less than the minimum wage effective January 1, 2022. The rate adjustment must be specific to the unit of service that is affected by the new minimum wage and shall only include those costs necessary to increase an employee's actual hourly wage to the new minimum wage rate and associated mandated employer costs (e.g., Social Security, Medicare, and Workers' Compensation).

Vendors must submit actual wage and mandated employer cost information for affected employees only and total program units of service provided for the period July, August, and September 2021, or an applicable period of up to three (3) months from January through December 2021.

Submission Instruction:

Service providers with negotiated rates must complete the SB 3 Minimum Wage Increase Worksheet 2022. This worksheet is available by clicking this link <https://www.inlandrc.org/service-providers/>. Please submit your rate adjustment request(s) to minwage@inlandrc.org. All rate adjustment requests **MUST** include the following required documents:

- Completed worksheet(s). Please indicate the name of your program, service code and vendor number (i.e.: A Plus Transportation;875; HJ000)
- Separate worksheet must be submitted for each vendor number
- Payroll Register/Payroll Records covering the 3-month review period for all employees eligible for new minimum wage increase
- A Copy of Workers' Compensation Policy showing the rate per 100's
- California DE 2088 Notice of Contribution Rates and Statement of UI Reserve Account
- Provide a copy of your 2021 Cost Statement or Rate Determination worksheet to support your current rate and request for minimum wage adjustment

Vendors with negotiated rates who are applying for the minimum wage adjustment increase must complete and submit the worksheet and required documents to IRC no later than **March 1, 2022**. Incomplete worksheet(s) and/or incomplete supporting document(s) will not be processed and will be returned to you. **No extension will be granted beyond this deadline.**

Any minimum wage increase granted may impact the proposed DDS vendor rate increase calculation effective April 1, 2022.

Providers with Rates Set by DDS and Rates Established in Regulation

Additional information can be found at [Minimum Wage – 2022 - CA Department of Developmental Services](#)

If you have any questions or need further information, please email lpaz@inlandrc.org.

Sincerely,



Reylisa Zalameda
Manager, Accounting and Audit Departments
Inland Regional Center