

To: Student Hiring Managers

Date: June 24, 2022

Dear Student Employee Supervisors,

Thank you for continuing to offer great summer work opportunities for our students.

Effective on July 1, 2022, the minimum wage in Los Angeles City will increase to **\$16.04** per hour. To comply with this new city statute, a new student [pay scale](#) for student employees has been approved and will be implemented as follows:

- As of **today**, all students who held active positions for the University that made less than \$16.04/hour have had their pay rates changed to \$16.04/hour.
- Note: This does not impact active student positions that are currently paid \$16.04/hour or more. Their pay rate will not be increased since it currently meets or exceeds the new minimum wage.
- Increases for students who are already at or above the new minimum will be at the discretion of the hiring department.
 - If you choose to increase your student employee wages, please follow these instructions: [How To Change Students' Pay Rates](#)
- The new pay scale has now been loaded into the Student Hire Center and these new pay rates are now available when hiring student employees.

Here are some additional reminders for you:

Summer Work Hours – During times of break, students who are not enrolled in classes are permitted to work more than 20 hours per week as long as compliance guidelines related to the Affordable Care Act (ACA) are met and provided your budget will allow for

this. Students who are enrolled in at least one class during the summer terms may **NOT** be permitted to work more than 20 hours per week.

Affordable Care Act Guidelines – Student employees may not average 30 or more hours per week for a 90-day period (collectively across all job assignments). Exceeding this threshold would require that the student is hired as a restricted staff, at the appropriate burden rate (currently 34.5%), AND BE PROVIDED WITH ONE OF THE ESTABLISHED University health plans going forward.

- Students should work no more than 29 hours per week during the summer if they will be working these additional hours for 90 days or more.
- The Student Employment Office will closely monitor any students who work more than 29 hours per week. In these cases, our office will work with you to modify student work schedules.

FICA TAXES – Student earnings are subject to FICA taxes if they are not enrolled at least part-time; your department will be responsible for covering the university portion of the FICA taxes, which is approximately 8%. Students have expressed concerns that their recent paychecks are lower than past paychecks for the same amount of work. Please explain to them the FICA implications and that the higher tax rate is the reason why they are seeing less money on their paychecks.

If our office can assist with anything regarding Student Employment, please let us know. Thank you for supporting our students.

Best regards,