



California Department of Industrial Relations Amended Wage Order 14-2001 Breakdown of Mandatory Benefits Cost

Effective January 1, 2019, the California Department of Industrial Relations made significant changes to the rules governing overtime and hourly wages for agricultural workers. In 2001, the Industrial Welfare Commission (IWC), recognizing the unique nature of sheepherding work and the long history of specialized California law pertaining to that work, adopted sheepherder amendments exempting this occupation from the overtime and hourly wage regulations. The 2019 amended wage order removes the sheepherder exemption from overtime wages even though sheepherders are subject to special exemptions in federal immigration and labor laws/regulations.

Unlike other industries, sheep producers are legally required to provide sheepherders with a number of benefits in addition to their regulated salary as part of their employment.

The mandatory benefits provided to a sheepherder in addition to their regulated salary include:

Monthly Mandatory Benefits Cost:

- All Lodging - \$450
- All Food - \$500
- Mobile Communication - \$50

Total Monthly Mandatory Benefit Cost - \$1,000.00 plus regulated salary.

Total Annual Mandatory Benefit Cost - \$12,000.00 plus regulated salary.

Additional Mandatory Costs:

- Travel expenses within country for document processing & travel from home country to U.S. and return airfare - \$2,500
- Administrative Fees - \$1,000

Total Additional Mandatory Costs - \$3,500

** The numbers presented are average costs and will vary by sheep producer. **