

Cooley

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Employers should review compensation rates for both exempt and nonexempt employees to ensure compliance with current legal thresholds. Set forth below are rates at the federal level, and for some states and localities, that apply to the most common job categories.

| The following minimum compensation rates are effective as of January 1, 2011: | | |
|---|---|---|
| JURISDICTION | EXEMPTION | MINIMUM COMPENSATION |
| FEDERAL | Nonexempt | \$7.25/hour |
| | Executive | \$455/week ¹ on salary basis |
| | Professional or Administrative | \$455/week on salary or fee basis |
| | Computer | \$27.63/hour (no change from 2010) |
| | Highly Compensated | \$100,000 total compensation (including minimum \$455 minimum weekly salary or fee) |
| | Licensed practicing medical doctor or attorney; teacher | None |
| | Business Owner (20% minimum equity and engaged in management) | None |
| | Outside sales | None |
| <i>In the following jurisdictions, higher rates prevail as shown. Not all states are reflected.</i> | | |

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|-------------------------|---|--|
| CALIFORNIA | Nonexempt | \$8.00/hour \$9.79/hour (San Francisco) (increase from 2010) |
| | Executive, professional or administrative | \$2,773.33/month on salary basis |
| | Computer | \$37.94/hour, \$6,587.50/month or \$79,050/year |
| | Licensed Physician | \$69.13/hour |
| COLORADO | Nonexempt | \$7.36/hour (still proposed; not final) (increase from 2010) |
| MASSACHUSETTS | Nonexempt | \$8.00/hour |
| NEW YORK | Nonexempt | \$7.25/hour |
| WASHINGTON, DC | Nonexempt | \$8.25/hour |
| WASHINGTON STATE | Nonexempt | \$8.67/hour (increase from 2010) |
| | Outside Sales Exemption | guaranteed salary, commission, or fee |

Notes

1 Equivalent amounts if paid on salary basis: \$910 biweekly; \$985.83 semimonthly; \$1971.66 monthly; or \$23,660 annualized.

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