

December 2, 2010

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

In the following jurisdictions, higher rates prevail as shown. Not all states are reflected.

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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