

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.

This content is provided for general informational purposes only, and your access or use of the content does not create an attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction, and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. When advising companies, our attorney-client relationship is with the company, not with any individual. This content may have been generated with the assistance of artificial intelligence (AI) in accordance with our AI Principles, may be considered Attorney Advertising and is subject to our [legal notices](#).

Key Contacts

Wendy Brenner Palo Alto	brennerwj@cooley.com +1 650 843 5371
Leslie Cancel San Francisco	lcancel@cooley.com +1 415 693 2175

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.