

December 21, 2011

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 the states and localities that exceed federal levels for the most common job categories.

The following minimum compensation rates are effective as of January 1, 2012:

JURISDICTION	EXEMPTION	MINIMUM COMPENSATION
FEDERAL	Nonexempt	\$7.25/hour
	Executive	\$455/week on salary basis
	Professional or Administrative	\$455/week on salary or fee basis
	Computer	\$27.63/hour
	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, rates higher than the federal rates prevail.

ALASKA	Nonexempt	\$7.75/hour
ARIZONA	Nonexempt	\$7.65/hour (increase from 2011)
CALIFORNIA	Nonexempt	\$8.00/hour \$10.24/hour (San Francisco) (increase from 2011)
	Executive, Professional or Administrative	\$2,773.33/month on salary basis
	Computer	\$38.89/hour, \$6,752.19/month or \$81,026.25/year (increase from 2011)
	Licensed Physician	\$70.86/hour (increase from 2011)
COLORADO	Nonexempt	\$7.64/hour (increase from 2011)
CONNECTICUT	Nonexempt	\$8.25/hour
FLORIDA	Nonexempt	\$7.67/hour (increase from 2011)
ILLINOIS	Nonexempt	\$8.25/hour
MAINE	Nonexempt	\$7.50/hour
MASSACHUSETTS	Nonexempt	\$8.00/hour
MICHIGAN	Nonexempt	\$7.40/hour
MONTANA	Nonexempt	\$7.65/hour (increase from 2011)

NEVADA	Nonexempt	\$7.25/hour (if qualifying health benefits available) \$8.25/hour (all others)
NEW MEXICO	Nonexempt	\$7.50/hour
NEW YORK	Nonexempt	\$7.25/hour
OHIO	Nonexempt	\$7.70/hour (increase from 2011)
OREGON	Nonexempt	\$8.80/hour (increase from 2011)
RHODE ISLAND	Nonexempt	\$7.40/hour
VERMONT	Nonexempt	\$8.46/hour (increase from 2011)
WASHINGTON, DC	Nonexempt	\$8.25/hour
WASHINGTON STATE	Nonexempt	\$9.04/hour (increase from 2011)
	Outside Sales Exemption	guaranteed salary, commission, or fee

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