

# Cooley

December 10, 2013

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, 2014 (except where another effective date noted):		
JURISDICTION	EXEMPTION	MINIMUM COMPENSATION
<b>FEDERAL</b>	Nonexempt	\$7.25/hour
	<i>Executive</i>	\$455/week on salary basis
	<i>Professional or Administrative</i>	\$455/week on salary or fee basis
	<i>Computer</i>	\$27.63/hour
	<i>Highly Compensated</i>	\$100,000 total compensation (including minimum \$455 minimum weekly salary or fee)
	<i>Licensed practicing Medical Doctor or Attorney; Teacher</i>	None
	<i>Business Owner (20% minimum equity and engaged in management)</i>	None
	<i>Outside Sales</i>	None
In the following jurisdictions, rates higher than the federal rates prevail.		

<b>ALASKA</b>	Nonexempt	\$7.75/hour
<b>ARIZONA</b>	Nonexempt	\$7.90/hour (increase from 2013)
<b>CALIFORNIA</b>	Nonexempt	\$9.00/hour (increase from 2013, effective July 1, 2014)
	<i>San Francisco</i>	\$10.74/hour (increase from 2013)
	<i>San Jose</i>	\$10.15/hour (increase from 2013)
	<i>Executive, Professional or Administrative</i>	\$3,120.00/month on salary basis (increase from 2013, effective July 1, 2014)
	<i>Computer</i>	\$40.38/hour, \$7,010.88/month or \$84,130.53/year (increase from 2013)
	<i>Licensed Physician</i>	\$73.57/hour (increase from 2013)
<b>COLORADO</b>	Nonexempt	\$8.00/hour (currently under consideration; would be increase from 2013)
<b>CONNECTICUT</b>	Nonexempt	\$8.70/hour (increase from 2013)
<b>FLORIDA</b>	Nonexempt	\$7.93/hour (increase from 2013)
<b>ILLINOIS</b>	Nonexempt	\$8.25/hour
<b>MAINE</b>	Nonexempt	\$7.50/hour
<b>MASSACHUSETTS</b>	Nonexempt	\$8.00/hour
<b>MICHIGAN</b>	Nonexempt	\$7.40/hour

<b>MISSOURI</b>	Nonexempt	\$7.50/hour (increase from 2013)
<b>MONTANA</b>	Nonexempt	\$7.90/hour (increase from 2013)
<b>NEVADA</b>	Nonexempt	\$7.25/hour (if qualifying health benefits available) \$8.25/hour (all others) (increase may be announced in April 2014)
<b>NEW JERSEY</b>	Nonexempt	\$8.25/hour (increase from 2013)
<b>NEW MEXICO</b>	Nonexempt	\$7.50/hour
	<i>Santa Fe</i>	\$10.51/hour (increase may be announced in January 2014)
	<i>Albuquerque</i>	\$7.60/hour (if qualifying healthcare and/or childcare benefits provided) \$8.60/hour (all others) (increase from 2013)
<b>OHIO</b>	Nonexempt	\$7.95/hour (only for employers with gross revenue of \$292,000/yr) (increase from 2013)
<b>OREGON</b>	Nonexempt	\$9.10/hour (increase from 2013)
<b>RHODE ISLAND</b>	Nonexempt	\$8.00/hour (increase from 2013)
<b>VERMONT</b>	Nonexempt	\$8.73/hour (increase from 2013)
<b>WASHINGTON, DC</b>	Nonexempt	\$8.25/hour
<b>WASHINGTON STATE</b>	Nonexempt	\$9.32/hour (increase from 2013)

	<i>SeaTac</i>	\$15.00/hour (increase from 2013, subject to pending litigation)
	<i>Outside Sales Exemption</i>	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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