

# Cooley

December 30, 2014

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.

<b>The following minimum compensation rates are effective as of January 1, 2015                      (except where another effective date noted):</b>		
JURISDICTION	EXEMPTION	MINIMUM COMPENSATION
<b>FEDERAL</b>	Nonexempt	\$7.25/hour \$10.10/hour (federal contractors and subcontractors)
	<i>Executive</i>	\$455 <sup>1</sup> /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	\$8.75/hour (increase from 2014)
<b>ARIZONA</b>	Nonexempt	\$8.05/hour (increase from 2014)
<b>ARKANSAS</b>	Nonexempt	\$7.50/hour (employers with 4 or more employees) (increase from 2014)
<b>CALIFORNIA</b>	Nonexempt	\$9.00/hour
	<i>Oakland</i>	\$12.25/hour (increase from 2014, effective March 2, 2015)
	<i>San Francisco</i>	\$11.05/hour (increase from 2014, effective January 1, 2015) \$12.25/hour (effective May 1, 2015)
	<i>San Jose</i>	\$10.30/hour (increase from 2014)
	<i>Executive, Professional or Administrative</i>	\$3,120.00/month on salary basis
	<i>Computer</i>	\$41.27/hour, \$7,165.12/month or \$85,981.40/year (increase from 2014)
	<i>Licensed Physician</i>	\$75.19/hour (increase from 2014)
<b>COLORADO</b>	Nonexempt	\$8.23/hour (currently under consideration; would be increase from 2014)
<b>CONNECTICUT</b>	Nonexempt	\$9.15/hour (increase from 2014)
<b>DELAWARE</b>	Nonexempt	\$8.25/hour (effective June 1, 2015)
<b>FLORIDA</b>	Nonexempt	\$8.05/hour (increase from 2014)

<b>HAWAII</b>	Nonexempt	\$7.75/hour (increase from 2014)
<b>ILLINOIS</b>	Nonexempt	\$8.25/hour
<b>MAINE</b>	Nonexempt	\$7.50/hour
<b>MARYLAND</b>	Nonexempt	\$8.00/hour (increase from 2014) \$8.25/hour (effective July 1, 2015)
<b>MASSACHUSETTS</b>	Nonexempt	\$9.00/hour (increase from 2014)
<b>MICHIGAN</b>	Nonexempt	\$8.15/hour (increase from 2014)
<b>MINNESOTA</b>	Nonexempt	\$8.00/hour (employers whose annual gross volume of sales made or business done is at least \$500,000) \$9.00/hour (employers whose annual gross volume of sales made or business done is at least \$500,000; effective August 1, 2015)
<b>MISSOURI</b>	Nonexempt	\$7.65/hour (increase from 2014)
<b>MONTANA</b>	Nonexempt	\$8.05/hour (increase from 2014)
<b>NEBRASKA</b>	Nonexempt	\$8.00/hour (increase from 2014)
<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	\$8.38/hour (increase from 2014)
<b>NEW MEXICO</b>	Nonexempt	\$7.50/hour
	<i>Santa Fe</i>	\$10.66/hour (increase may be announced in January 2015)

	<i>Albuquerque</i>	\$7.75/hour (if qualifying healthcare and/or childcare benefits provided) \$8.75/hour (all others) (increase from 2014)
<b>NEW YORK</b>	Nonexempt	\$8.75/hour (increase from 2014, effective December 31, 2014) \$9.00/hour (effective December 31, 2015)
<b>OHIO</b>	Nonexempt	\$8.10/hour (employers with gross revenue of more than \$297,000/yr) (increase from 2014)
<b>OREGON</b>	Nonexempt	\$9.25/hour (increase from 2014)
<b>RHODE ISLAND</b>	Nonexempt	\$9.00/hour (increase from 2014)
<b>SOUTH DAKOTA</b>	Nonexempt	\$8.50/hour (increase from 2014)
<b>VERMONT</b>	Nonexempt	\$9.15/hour (increase from 2014)
<b>WASHINGTON, DC</b>	Nonexempt	\$10.50/hour (increase from 2014, effective July 1, 2015)
<b>WASHINGTON STATE</b>	Nonexempt	\$9.47/hour (increase from 2014)
	<i>Seattle</i>	\$10.00/hour (employers with fewer than 500 employees in the U.S.) <sup>2</sup> \$11.00/hour (employers with 500 or more employees in the U.S.) (increase from 2014, effective April 1, 2015; subject to pending litigation)
	<i>SeaTac</i>	\$15.24/hour (hospitality/transportation employees) (increase from 2014)
	<i>Outside Sales Exemption</i>	guaranteed salary, commission, or fee

<b>WEST VIRGINIA</b>	Nonexempt	\$8.00/hour (increase from 2014)
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#### NOTES

1. Equivalent amounts if paid on salary basis: \$910 biweekly; \$985.83 semimonthly; \$1971.66 monthly; or \$23,660 annualized.
2. Employers with fewer than 500 employees must also pay their employees an hourly compensation of at least \$11 per hour. Employers can meet the applicable hourly minimum compensation requirement through wages (including applicable commissions, piece-rate, and bonuses), tips, and money paid by an employer toward an individual employee's medical benefits plan, provided that the employer also pays the employee a minimum wage of \$10 per hour.

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