



New state threshold for overtime eligibility for 2025

On September 30, 2024 the Washington State Department of Labor and Industries announced the new state minimum wage effective January 1, 2025: \$16.66 per hour, a 2.35% increase over 2024. In addition to raising the minimum wage, this change also impacts which employees can be considered exempt from overtime.

The Washington state overtime threshold for exempt jobs (the minimum salary requirements to remain exempt from overtime*) as of January 1, 2025, is set by state rule at 2.25 x times the state minimum wage for 2025 and will be **\$1499.40 per week or \$77,968.80 annually**.

This same threshold applies to part-time employees; it is not pro-rated for employees who are less than full-time. This means, for example, that a 50% (half-time) employee whose annualized salary is \$120,000 **would be** overtime eligible because their actual, half-time salary would be \$60,000, which is less than the new \$77,968.80 threshold.

By Monday, November 4th locations with current exempt employees who will fall below the new wage threshold for 2025 will receive an e-mail with these employees' names, instructions, and links to resources. You will either need to increase the wage to at least \$77,968.80 to keep them as exempt or they will be converted to nonexempt overtime eligible status. For those **not** receiving a salary increase, the conversion to non-exempt, overtime eligible status will occur automatically on December 16th and will require no action on the locations part.

Please note that if your location does not receive an email then there are no impacted employees to address since employees whose primary duty is teaching, instructing, or lecturing to impart knowledge are not eligible for overtime and this change does not impact them. In addition, there is a ministerial exception as provided by case law that also excludes those employed in primary ministerial positions and would thus not be eligible for overtime.

Please follow this [link](#) to see a list of these ministerial positions as well as other resources to support the threshold changes such as talking points, time recording, etc.

If you have any questions regarding this change, please send all questions to: Human Resources
HumanResources@seattlearch.org