

October 1, 2026

New State Salary Threshold for overtime eligibility for 2027

The Washington State Department of Labor and Industries announced the new state minimum wage effective January 1, 2027: at \$17.73 per hour (some local jurisdictions have higher minimum wages). You can find more information here: [Changes made to Washington overtime rules.](#)

The Washington state overtime threshold for exempt jobs (the minimum salary requirements to remain exempt from overtime*) as of January 1, 2027, is set by state rule at 2.5 times the state minimum wage for 2027 and will be \$1,773.00 per week or \$92,196.00 annually. This same threshold applies to part-time employees; it is not pro-rated for employees who are less than full-time.

Given the high rate of pay now required to be considered exempt from overtime, it is anticipated that many employees will transition to being hourly and eligible for overtime beginning in 2027. Also, please note that the threshold will rise again in 2028.

By Wednesday, October 21st, locations that have employees who fall below the new salary threshold for 2027 will receive an email listing the impacted employees, instructions, and links to resources. You will need to either increase them to \$92,196.00 to keep them exempt, or they will need to be converted to a non-exempt hourly position (overtime eligible). For those **not** receiving a salary increase, the conversation to non-exempt, overtime eligible status will occur automatically in the last week of December and will require no action on the locations part.

Please note: 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.

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

With gratitude,
Human Resources