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Overtime Salary Threshold Changes for 2025:

Transitioning from Overtime Exempt to Overtime Eligible

Chelsea Lee | Senior Classification and Compensation Specialist
Kelly Woodward | Deputy Chief Human Resources Officer
State Human Resources



New Salary Threshold | WMS/EMS Salary Bands

Effective Date	Annual Amount
1/1/2024	\$67,724.80
1/1/2025	\$77,968.80
1/1/2026	\$79,981.20*
1/1/2027	\$90,636.00*
1/1/2028	\$92,560.00*

* Projections based on forecasted changes.

Band	Minimum	Maximum
I	\$52,236	\$106,548
II	\$68,940	\$126,528
III	\$79,944	\$142,512
IV	\$95,832	\$165,120

Some WMS/EMS employees in Bands I and II may fall under the salary threshold January 1, 2025.

L&I changed the salary threshold test July 1, 2020. It goes up each year through January 2028. After that, annual updates will be based on adjustments to the state minimum wage due to inflation. This year's threshold increase is a **significant** increase from last year.

Many employees will be overtime eligible under the salary threshold, despite assigned job duties.

Why Does This Matter?

ALL TIME spent working must be compensated.

Either with pay or (if agreed by both parties) with compensatory time.

- Federal and state law require that we compensate all overtime eligible employees for all actual hours worked.
- Failing to do so can result in legal penalties and fines.
- Supervisors are responsible for monitoring and tracking employee time.
- We can't just look the other way.



Overtime Exempt Employees

Required to work as many hours as necessary to accomplish assigned work.

- No overtime or comp time.
- Can allow Flex Time and Exchange Time.
- Flexibility with leave and make-up time.
- Are allowed to work through lunch and rest breaks.
- Work outside of scheduled hours, such as evenings and weekends, is okay, as needed to meet deadlines.

Overtime Eligible Employees

Must account for ALL TIME each workweek.

Earn time-and-a-half (or compensatory time if mutually agreed) for all time worked over 40 hours in a workweek.

- Must take scheduled lunch breaks.
- Must be allowed a 10-minute break for every 4-hours worked (CBAs generally require 15 minutes). Cannot combine with lunch and must be close to the mid-point of 4-hour period, not to exceed working more than 3 hours without a break.
- Complete Time and Attendance Records every pay period.
- Should only work overtime with prior approval.

Quick Reference on Differences

Overtime Exempt	Overtime Eligible
Paid for the work performed, not the time it takes to do the work	Paid for every minute that they perform any work for the employer; all time must be accounted for
Flexibility to work through lunch and rest breaks, when needed	Must take scheduled lunch period each day and two paid rest periods of at least 10 minutes (CBA may require more) in a standard 8-hour day
No Time and Attendance Record necessary	Must complete Time and Attendance Record each pay period
Supervisors can allow flex time to account for additional time worked outside of regular shift	Any make-up time must be completed within the same workweek
Some flexibility with 9/80 schedules, within reason	No flexibility with 9/80 schedules; day off cannot be moved, make-up time is challenging
Can be awarded Exchange Time for extraordinary hours worked over a period of time	Must earn pay or compensatory time for any hours worked beyond 40 in a workweek (check CBA for specifics)

What is Work Time for OT Eligible?

All time “suffered or permitted” by the employer.

All time spent conducting any work by overtime eligible employees must be compensated. Work time issues can be very fact specific; when in doubt, contact your AAG.

- Employees cannot waive or “volunteer” work time. This includes the following:
 - Any work activity, including checking voicemails, emails, or returning calls.
 - Reviewing documents, applications, research, etc.
 - Attending a conference or training (online or in-person).
 - Travel (fact specific).
 - Participating in a BRG.

Supervisor Considerations

Transitioning to overtime eligible

Supervisors are responsible to track time and ensure staff understand the expectations around work hours.

- Different ways of managing time and work assignments.
- Might be a difficult transition for some staff.
- Staff may feel micromanaged.
- Help staff prioritize assignments if everything cannot be completed in 40-hours a week.
- Hold staff accountable for failure to adhere to work hours requirements.



Best Practices

If you learn that uncompensated overtime has occurred, pay it, but also be willing to take action in response.

*In these circumstances, work with your Labor and Personnel AAG **right away** for next steps.*

- Include information on the requirements for OT eligible employees *and* supervisors in your agency policy.
- Cover the requirements in onboarding.
- Cover the requirements in supervisor training and emphasize the need for supervisors to be alert to violations.
- Have both overtime eligible staff and their supervisors acknowledge the requirements.

Questions?

For more information on how this relates to classification and compensation of your employees, contact:

Chelsea Lee | Senior Classification and Compensation Specialist
OFM State Human Resources
chelsea.lee@ofm.wa.gov

For case specific questions, please work with your assigned Labor and Personnel AAG.