

Electronic Alert

Volume 27, Issue 1

January 10, 2024

2024 Updates to Washington Wage Thresholds

By Nicole Elgin & Hannah LaChance

As employers prepare for a strong start to the New Year, it is important to note the following updates for Washington employee wages.

- **Overtime Exemptions:** For workers in Washington to be exempt from overtime laws, they must make at least \$67,724.80 per year (\$1,302.40 per week). This is part of a gradual implementation schedule. The salary thresholds for future years are projections based on the Consumer Price Index (CPI). Employers should note that in addition to the salary threshold requirements, to be properly exempt from overtime, many employees must meet additional criteria, including being paid on a salary basis and meeting one of the duties tests.
- **Outside Employment Restrictions:** Employers generally cannot restrict an employee from having outside employment or being self-employed unless the employee is paid at least \$32.56 per hour.
- **Noncompete Thresholds:** Generally, an employee must earn \$120,559.99 or more to be subject to a noncompetition agreement. The threshold is higher for independent contractors at \$301,399.98.
- **Dairy & Agricultural Workers:** These workers are eligible for overtime for all hours worked over 40 per week. This was also a part of a gradual implementation plan, as the 2023 version of the policy required agricultural workers to work over 48 hours to be eligible. The overtime pay rate must be at least 1.5x the employee's regular rate of pay.
- **Minimum Wages for 2024:**
 - **Washington State:** \$16.28 per hour
 - **Seattle:** \$17.25 to \$19.97 per hour (\$17.25 for small business employers (500 or fewer) if employees receive \$2.72 per hour in medical benefits or tips)
 - **SeaTac:** \$19.71 per hour (Hospitality and Transportation Industry)
 - **Tukwila:** Large employers (500+ employees): \$20.29 per hour; Mid-size employers (15 to 500 employees): \$18.29 per hour (\$19.29 per hour effective 7/1/2024)

For questions relating to Washington's new wage thresholds, or for any other labor or employment matters, contact Nicole Elgin at 503-276-2109 or nelgin@barran.com.