

It's Official - New York's Salary Threshold for the Executive and Administrative Exemptions Is Increasing - THIS WEEK

As expected, this morning, the New York State Department of Labor published its [final rule](#) increasing the salary threshold applicable to exempt executive and administrative employees in New York State.

While the ultimate fate of the USDOL's regulations [remains unclear](#), New York employers now know that the salary threshold applicable to exempt executive and administrative employees will increase effective December 31st.

As [previously reported](#), under New York's Labor Law, the salary threshold for executive and administrative employees (NY law does not set a salary threshold for professional employees and thus the federal salary of \$455 applies) is currently \$675 per week — 75 times the current minimum wage of \$9.00 per hour. With the minimum wage set to gradually increase in coming years (at different rates depending on geography), the New York State Department of Labor has implemented corresponding increases in the applicable salary threshold. The first of these increases will take effect in just three days.

Specifically, the increases to New York's salary threshold for executive and administrative employees are as follows:

Employers Outside of New York City, Nassau, Suffolk, and Westchester Counties

- \$727.50 per week on and after 12/31/16;
- \$780.00 per week on and after 12/31/17;
- \$832.50 per week on and after 12/31/18;
- \$885.00 per week on and after 12/31/19;
- \$937.50 per week on and after 12/31/20

Employers in New York City

"Large" employers (11 or more employees)

- \$825.00 per week on and after 12/31/16;
- \$975.00 per week on and after 12/31/17;
- \$1,125.00 per week on and after 12/31/18

"Small" employers (10 or fewer employees)

- \$787.50 per week on and after 12/31/16;
- \$900.00 per week on and after 12/31/17;
- \$1,012.50 per week on and after 12/31/18;
- \$1,125.00 per week on and after 12/31/19

Employers in Nassau, Suffolk, and Westchester Counties

- \$750.00 per week on and after 12/31/16;
- \$825.00 per week on and after 12/31/17;
- \$900.00 per week on and after 12/31/18;
- \$975.00 per week on and after 12/31/19;
- \$1,050.00 per week on and after 12/31/20
- \$1,125.00 per week on and after 12/31/21

A chart summarizing these thresholds is available on the NYS DOL [website](#).

What does this mean? It means that if you have any exempt executive or administrative employees who are currently paid less than the applicable salary threshold set forth above, you must increase their salary to at or above that threshold or reclassify them as nonexempt. But fear not — you have three days.

What a perfect way to end the year — a significant change imposed on New York employers with virtually no notice.

Happy New Year everyone!

If you have any questions about this Information Memo, please contact [John M. Bagyi](#), or any of the [attorneys](#) in our [Labor and Employment Law Practice](#), or the attorney in the firm with whom you are regularly in contact.



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