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2025 Increases in Washington Minimum Wage and Other Employee Expenses

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The [Washington State Department of Labor & Industries \(L&I\)](#) recently announced increases in the Washington minimum wage, the threshold for overtime exemptions and the minimum required for employee noncompete enforcement.

Minimum Wage

The minimum wage in Washington will increase to \$16.66 per hour starting January 1, 2025. This 2.35% increase continues Washington's status as the state with the nation's highest minimum wage, significantly above the federal minimum wage of \$7.25 per hour. Some cities within Washington will have even higher minimum wages in 2025:

Overtime Exemption Thresholds

Concurrent with the minimum wage hike, Washington state will increase the salary thresholds for overtime-exempt employees. Workers at smaller employers (50 or fewer employees) must be paid a salary at the rate of at least \$69,305.60 per year (or \$1,332.80 per week) to qualify as an exempt executive, administrative or professional employee. Larger employers (more than 51 employees) must pay exempt executive, administrative or professional employees at an annual rate of at least \$77,968.80 (or \$1,499.40 per week). Exempt computer professionals must receive at least \$58.31 per hour in 2025, regardless of the employer's size.

Noncompete Agreements

Beginning in 2025, employers may enforce noncompete agreements only against Washington employees who had earned at least \$123,394.17 annually before termination and against independent contractors who earned \$308,485.43 or more.

Impact on Employers

Employers should promptly review employee payroll and noncompete agreements to ensure compliance by the effective date. For detailed guidance or to address specific situations, please contact our [Labor, Employment & Immigration](#) team.

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