

e-Alert: California Increases Overtime Threshold for Computer and Medical Employee Exemptions



Background

Effective January 1, 2020, the minimum salary thresholds that computer employees, physicians, and surgeons must receive to qualify for the state's overtime exemptions will increase. This update was published by the California Department of Industrial Relations (DIR).

Summary

What are the new thresholds?

- The hourly wage rate for physicians and surgeons will increase from \$82.72 per hour to \$84.79 per hour.

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- The hourly wage rate for computer employees will increase from \$45.41 per hour to \$46.55 per hour. In addition to the hourly threshold for computer employees, the DIR also increased the monthly salary threshold from \$7,883.62 to \$8,080.71 and the annual salary threshold from \$94,603.25 to \$96,968.33, which will also start on January 1, 2020.

Employer Next Steps

- For more information on the updated salary level for physicians and surgeons, [click here](#).
- For more information on the updated salary level for computer employees, [click here](#).
- If you are a Full-Service or Virtual HR client and have questions about this e-Alert, please [email us](#).

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