

HOUSE No. 2166

The Commonwealth of Massachusetts

PRESENTED BY:

Lindsay N. Sabadosa and Daniel M. Donahue

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to updating overtime salary thresholds and codify definitions to protect the middle class.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>1/17/2025</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>1/17/2025</i>

HOUSE No. 2166

By Representatives Sabadosa of Northampton and Donahue of Worcester, a petition (accompanied by bill, House, No. 2166) of Lindsay N. Sabadosa and Daniel M. Donahue relative to overtime pay and the salary threshold for overtime exemption. Labor and Workforce Development.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to updating overtime salary thresholds and codify definitions to protect the middle class.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The second paragraph of section 1A of chapter 151 of the General Laws is
2 hereby amended by striking out clauses (1), (7), (9), (12), (13), (14), (15), (16) and (17), and
3 renumbering the remaining clauses in consecutive order.

4 SECTION 2. Section 1A of Chapter 151 of the General Laws is hereby amended by
5 striking out paragraph (3) in its entirety and replacing it with the following: (3) as a bona fide
6 executive, administrative, or professional employee, or qualified trainee for such position, as
7 defined in section 1C of this chapter, who is paid on a salary basis and earns at least the salary
8 threshold set forth in section 1C of this chapter and whose primary duty is the performance of
9 exempt work.

10 SECTION 3. Chapter 151 of the General Laws is hereby amended by inserting after
11 section 1B the following section:-

12 Section 1C. Definitions; Pay salary threshold for overtime exemption for bona fide
13 executive, administrative, and professional employees.

14 The following words and phrases as used in section 1A(3) of this chapter shall have the
15 following meanings.

16 The term “bona fide executive employee” shall mean any employee: (1) compensated on
17 a salary basis of at least the level set forth in section 1C(f) of this chapter; (2) whose primary
18 duty is management of the enterprise in which the employee is employed or of customarily
19 recognized department or subdivision thereof; (3) who customarily and regularly directs the
20 work of two or more other employees; and (4) who has the authority to hire or fire other
21 employees or whose suggestions and recommendations as to the hiring, firing, advancement,
22 promotion or any other change of status of other employees are given particular weight.

23 The term “administrative employee” shall mean any employee: (1) compensated on a
24 salary basis of at least the level set forth in section 1C(f) of this chapter; (2) whose primary duty
25 is the performance of office or non-manual work directly related to the management or general
26 business operations of the employer or the employer's customers; (3) whose primary duty
27 includes the exercise of discretion and independent judgment with respect to matters of
28 significance.

29 The term “professional employee” shall mean any employee: (1) compensated on a salary
30 basis of at least the level set forth in section 1C(f) of this chapter; and (2) whose primary duty is
31 the performance of work (i) requiring knowledge of an advanced type in a field of science or
32 learning customarily acquired by a prolonged course of specialized intellectual instruction or (ii)

33 requiring invention, imagination, originality, or talent in a recognized field of artistic or creative
34 endeavor.

35 The term “primary duty” means the principal, main, major or most important duty that
36 the employee performs. Determination of an employee's primary duty must be based on all the
37 facts in a particular case, but for tasks to constitute an employee's primary duty, the employee
38 must devote more than fifty percent of work time to those tasks.

39 The term “salary basis” shall mean payment received on a weekly, or less frequent basis,
40 that consists of a predetermined amount constituting all or part of the employee's compensation,
41 which amount is not subject to reduction because of variations in the quality or quantity of the
42 work performed.

43 (a) An exempt employee must receive the full salary for any week in which the employee
44 performs any work without regard to the number of days or hours worked. Exempt employees
45 need not be paid for any workweek in which they perform no work.

46 (b) An employee is not paid on a salary basis if deductions from the employee's
47 predetermined compensation are made for absences occasioned by the employer or by the
48 operating requirements of the business. If the employee is ready, willing, and able to work,
49 deductions may not be made for time when work is not available.

50 The salary threshold to qualify as a bona fide executive, administrative, or professional
51 employee, or qualified trainee for such position, shall be the highest of the following: the
52 overtime threshold rate set forth in the second paragraph of this section, any rate that the
53 commissioner of the department of labor shall establish by regulation, or the annualized rate
54 established by the United States Department of Labor under the federal Fair Labor Standards

55 Act. The overtime threshold rate shall be \$844.00 per week as of the effective date of this law;
56 beginning January 1, 2026, the overtime threshold rate shall be \$1,211.53 per week; beginning
57 January 1, 2027, the overtime threshold rate shall be \$1,403.84 per week. Beginning January 1,
58 2028 and each January 1 thereafter, the overtime threshold rate shall be no less than the higher of
59 the following rates: the weekly earnings of a full-time employee employed for 40 hours per week
60 at 2 times the minimum wage established under section 1 of this chapter, or the overtime
61 threshold rate from the preceding year increased by the percentage annual increase, if any, in the
62 second quartile of the usual weekly earnings for full-time wage and salary workers, or its
63 successor index, as published by the United States Department of Labor, Bureau of Labor
64 Statistics, or its successor agency, with the amount of the overtime threshold rate increase
65 rounded to the nearest dollar, which rate shall be published annually by the department of labor.