

HOUSE No.

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>1/16/2025</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>	<i>1/17/2025</i>

HOUSE No.

[Pin Slip]

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

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

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

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

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

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

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

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

31 The term “professional employee” shall mean any employee: (1) compensated on a salary
32 basis of at least the level set forth in section 1C(f) of this chapter; and (2) whose primary duty is
33 the performance of work (i) requiring knowledge of an advanced type in a field of science or

34 learning customarily acquired by a prolonged course of specialized intellectual instruction or (ii)
35 requiring invention, imagination, originality, or talent in a recognized field of artistic or creative
36 endeavor.

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

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

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

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

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

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