SENATE DOCKET, NO. 2234 FILED ON: 1/17/2025

SENATE . . . . . No. 1324

The Commonwealth of Massachusetts

PRESENTED BY:

Paul R. Feeney

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 codifying definitions to protect middle-class workers.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
Paul R. Feeney	*Bristol and Norfolk*	
Jason M. Lewis	*Fifth Middlesex*	*2/10/2025*

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SENATE . . . . . No. 1324

By Mr. Feeney, a petition (accompanied by bill, Senate, No. 1324) of Paul R. Feeney and Jason M. Lewis for legislation relative to update overtime salary thresholds and codifying definitions to protect middle-class workers. 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 codifying definitions to protect middle-class workers.

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

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

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

SECTION 3. Chapter 151 of the General Laws is hereby amended by inserting after section 1B the following section: - Section 1C. Definitions; Pay salary threshold for overtime exemption for bona fide executive, administrative, and professional employees.

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

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

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

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

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

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

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

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

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

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

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