

Washington's Minimum Wage, Minimum Salary for Exempt Status and Noncompete Salary Thresholds Set to Increase in 2026

Legal Alert
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The [Washington State Department of Labor & Industries \(L&I\)](#) has announced a 2.8% increase to the state's minimum wage for 2026. Beginning January 1, 2026, the statewide minimum wage will rise to \$17.13 per hour, up from the current \$16.66. This annual adjustment is based on the federal Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

While Washington already maintains one of the highest minimum wages in the country, several cities have established higher local rates that will also take effect on January 1.

Local Minimum Wage Rates **City 2025 Minimum Wage 2026 Minimum Wage** **Bellingham \$18.66 (May 1, 2025-December 31, 2025) No official announcement yet** **Burien**

- 500+ employees: \$21.16
- 21 - 499 employees: \$20.16
- Employers with 20 or less employees are exempt No official announcement yet **Renton**

- 501+ employees: \$20.90
- 15-500 employees: \$18.90 (Jan. 1-Jun. 30) then \$19.90 (Jul. 1-Dec. 31)
- Employers with 14 or less employees are exempt

Contact

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Related Services

Labor, Employment & Immigration

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- 500+ employees: \$21.57
 - 15-500 employees: \$20.57 (Jan. 1-Jun. 30) then \$21.57 (Jul. 1-Dec. 31)
 - Employers with 14 or less employees are exempt [Seattle](#) \$20.76 \$21.30 [SeaTac](#) \$20.17 \$20.74 [Tukwila](#)
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- 500+ employees: \$21.10
 - 15-500 employees or \$2M gross revenue in Tukwila: \$20.10 (Jan. 1-Jun. 30) then \$21.10 (Jul. 1-Dec. 31)
 - Employers with 14 or less employees or have \$2M or less in gross revenue are exempt \$21.65

Overtime-Exempt Employees

L&I also adjusts the minimum [salary threshold](#) for overtime-exempt employees each year based on the CPI-W. For 2026, employees classified under the executive, administrative and professional exemptions must earn at least 2.25 times the state minimum wage to remain exempt from overtime pay.

That means the minimum weekly salary will increase to \$1,541.70 (equivalent to \$80,168.40 annually). The threshold will continue to increase annually through 2028, when it will reach 2.5 times the minimum wage and remains at that rate thereafter.

Computer professionals paid on an hourly basis must receive at least 3.5 times the minimum wage, or \$59.96 per hour in 2026.

Noncompete Clauses and Agreements

The enforceability of [noncompete agreements](#) in Washington is also tied to CPI-W adjustments. Effective January 1, 2026, a noncompete clause or contract cannot be enforced unless - among other requirements:

- The employee's annual earnings exceed \$126,858.83, or
- For independent contractors, annual compensation exceeds \$317,147.09.

For assistance assessing how these changes may affect your organization, or for guidance on updating employment policies and agreements, please contact Foster Garvey's [Labor, Employment & Immigration](#) team.