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## Pacific Northwest Labor & Employment Law Update: New Laws Effective in 2021

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Several new employment laws have taken effect as of January 1, 2021 in both Oregon and Washington. Below is a brief overview of the new laws impacting employers in the Pacific Northwest.

### Washington

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#### **Increased Minimum Salary Threshold for Exempt Employees**

As of January 1, 2021, the state salary threshold for many exempt employees in Washington is higher than the federal salary threshold. The 2021 salary threshold for Washington employees classified as exempt pursuant to the executive, professional, and administrative exemptions is 1.5 times the state minimum wage for businesses with 50 or fewer employees (\$821.40 per week or \$42,712.80 annually) and 1.75 times the state minimum wage for businesses with 51 or more employees (\$958.30 per week or \$49,831.60 annually).

The size of the employer for purposes of determining the applicable threshold is determined by counting each Washington-based employee at the time of the effective date of the salary threshold (usually January 1 of the calendar year).

The state salary threshold will continue to rise incrementally until it reaches 2.5 times the state minimum wage by 2028. When state and federal thresholds conflict, businesses must meet the threshold most favorable to employees.

#### **Increased Minimum Wage**

Effective January 1, 2021, the new state minimum wage is \$13.69 per hour (up from \$13.50 per hour in 2020).

The new Seattle minimum wage for large employers with 501 or more employees is \$16.69 per hour (up from \$15.75 per hour in 2020) and \$15.00 per hour for small employers with 500 or fewer employees (up from \$13.50 per hour). Small employers that do not pay at least \$1.69 per hour toward their employees' medical benefits or whose employees do not earn at least \$1.69 per hour in tips must pay their employees \$16.69 per hour. For purposes of determining the size of the employer, all employees must be counted (not just those in Seattle or Washington State).

### **Increased Minimum Hourly Rate for Exempt Computer Professionals**

Effective January 1, 2021, the minimum hourly rate for employees classified as exempt pursuant to the computer professional exemption increased to 2.75 times the state minimum wage for businesses with 50 or fewer employees (\$37.65 per hour) and 3.5 times the state minimum wage for businesses with 51 or more employees (\$47.92 per hour). Moreover, Washington businesses can elect to pay exempt computer professionals either on an hourly basis or a salary basis.

### **Sexual Harassment and Assault Protections for Isolated Workers**

Effective January 1, 2021, every hotel, motel, retail, or security guard entity, or property services contractor that employs an employee must provide isolated workers who are housekeepers, room service attendants, security guards or janitors with sexual harassment and assault prevention requirements to include: (1) adopting a sexual harassment policy; (2) providing mandatory training to all employees; (3) providing a list of resources related to sexual harassment and assault prevention; and (4) providing a panic button to each isolated worker. In addition, property services contractors must submit specific documentation to the Washington State Department of Labor & Industries.

Hotel and motel employers with 60 or more guest rooms were already required to comply with these requirements effective January 1, 2020.

## **Oregon**

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### **Portland Facial Recognition Ordinance**

Effective January 1, 2021, private entities are prohibited from using "face recognition technologies" in places of public accommodation within Portland, except (1) to the extent necessary to comply with federal, state, or local laws; (2) for user verification purposes to access the user's own personal or employer-issued communication and electronic devices; or (3) in automatic face detection services in social media applications.

### **OregonSaves**

Oregon employers with four or fewer employees must sign up for OregonSaves, a state-run retirement plan, or establish an employee retirement plan, such as a 401(k), before the January 15, 2021 deadline. Oregon employers with five or more employees are already subject to this requirement.



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