

July 16, 2019

Employment Standards Program
Washington Department of Labor & Industries
P.O. Box 44510
Olympia, WA 98504-4510

Submitted at public hearing

Dear Employment Standards Program:

We are organizations that comprise the **Arts & Culture Human Resources Roundtable**, made up of non-profit organizations throughout Seattle and the Puget Sound region, and we are submitting comments regarding proposed changes intended to update minimum salary levels and job duties.

While we agree the current salary threshold for exempt status should be updated, your proposal to increase this level to \$49,140 per year for year one (for large employers, which we are) and to annually increase this figure is unreasonable and would negatively impact the arts and culture services and programs we provide to our communities.

Our organizations are essential contributors to the economic and cultural health of the community, and we help make the Puget Sound area and Washington State the success and envy of so much of the rest of the country. But the economic realities of non-profit arts and culture organizations should be taken into consideration when the State contemplates such significant rule-making that will pose key budgetary challenges that threaten our artistic programming and financial well-being.

We completely value our employees and support efforts to assure fairness and equity in compensation and classification of exempt or non-exempt. Increasing the salary threshold to a reasonable amount aligns with our values, and we appreciate the work the State is performing in this effort. Our employees are artists, professionals, and other skilled personnel who serve their communities and deserve to be paid fairly and appropriately for their work, and this important principle can be achieved without the excessively high salary thresholds as proposed. This letter is to urge the State to balance its approach to increasing the salary threshold with the realities of our business models and the challenges of the non-profit sector.

What is even more impactful than the proposed initial threshold of \$49,140 is the plan to annually increase this number, especially in such large increments. The proposed annual increases present difficult financial burdens on our organizations. We object to the significant increase of this threshold to \$57,356 in Year Two, which is burdensome and impractical. This is an extreme 16% increase, which is not needed to help distinguish between exempt and non-exempt bodies of work. Further, the threshold numbers continue to annually escalate considerably and are forecasted to reach \$70,200 a year, plus consumer price index adjustments, for all employers effective Jan. 1, 2026. This will be especially detrimental for our non-profit organizations.