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Is a Training Intern Entitled to Wages under the FLSA? The Eleventh Circuit Court of Appeals Says "Maybe" By Noor Hasan, J.D. Candidate 2020 | October 30, 2017

Businesses who take on unpaid training interns or participants under job shadowing programs may want to take notice of <u>this ruling</u> from the Eleventh Circuit Court of Appeals, which indicates that <u>it is possible</u> for those participants to be entitled to wages under the Fair Labor and Standards Act.

Scott Axel was having trouble finding work. His father worked as a wholesaler at an auto dealer and persuaded his employer, Fields Motorcars, to bring his son in as a training intern. For fifteen months, Scott Axel shadowed his father on the job, but his activities took a turn when he took on retail and sales tasks, such as posting cars for sale on social media and auction websites.

The plaintiff's father's employment with the dealer was terminated and as a result, Axel's training activities ended. He sued under the Florida Labor Standards Act (FLSA) and the Florida Minimum Wage Act (FMWA), estimating that over his fifteen-month tenure, he worked over sixty hours per week without pay.

The district court granted summary judgment in favor of Fields Motorcars. Upon appeal, the Eleventh Circuit Court of Appeals vacated the summary judgment ruling for the defendant and remanded the case to the district court. The Court of Appeals noted that Axel's activities were sometimes consistent with the activities of an employee, and other times a trainee.

While the Eleventh Circuit concluded that it did not have enough information about the plaintiff's time spent on his father's work (wholesaling tasks) or retail tasks under the supervision of other employees, the court noted that the proper outcome was not necessarily an "all or nothing" determination.

The circuit court's ruling poses a <u>cautionary tale</u> for businesses that may consider offering unique training opportunities as part of their business. Here, the circuit court suggests that depending on the activities performed by a person who is an informational intern, a job shadower, or a trainee, those activities could entitle a person to wages under the FLSA or state minimum wage laws.