Upholding a jury verdict in favor of the defendant “black car” (limousine service) company, the U.S. Court of Appeals for the Second Circuit concluded that the plaintiff-employee was properly classified as overtime-exempt under both the Fair Labor Standards Act (FLSA) and New York Labor Law (NYLL). *Suarez v. Big Apple Car, Inc.*, 2020 U.S. App. LEXIS 8683 (2d Cir. Mar. 17, 2020). The Second Circuit has jurisdiction over the federal courts in New York, Connecticut, and Vermont.

The plaintiff worked as the driver recruiter, director of driver services, and dispatch manager for Big Apple Car, a limousine service providing corporate transportation. In these roles, the plaintiff recruited over 100 drivers and had unfettered control over the company’s recruitment program. She also played a major role in training the company’s drivers and, according to the company’s president, had hiring, firing, and supervisory authority over them as well. In addition, the plaintiff served as the
company’s primary contact with the Taxi and Limousine Commission, and was primarily responsible for ensuring that the company remained complaint with applicable regulations. Following her discharge, the plaintiff filed suit, claiming that she was owed overtime wages pursuant to the FLSA and NYLL. A jury sided with the employer and, after the trial court denied her post-trial motions, the plaintiff appealed.

Under both the FLSA and NYLL, employees who serve in a “bona fide executive administrative, or professional capacity” are exempt from the overtime requirements of these laws, provided that they satisfy certain minimum salary levels and meet the duties requirements of one or more of these categories. With respect to the “administrative” exemption under both laws, an employee’s primary duty must be the “performance of office or non-manual work directly related to the management or general business operations of the employer of the employer’s customers” and that primary duty must include the “exercise of discretion and independent judgment with respect to matter of significance.” 29 C.F.R. § 541.200(a). The NYLL further requires that the employee “regularly and directly assist an employer, or an employee employed in a bona fide executive or administrative capacity” or “perform, under only general supervision, work along specialized or technical lines requiring special training, experience or knowledge.” 12 N.Y.C.R.R. § 142-2.14(c)(4)(ii)(c). As with all exemptions, the employer has the burden of proving that an exemption applies.

In this case, the Second Circuit agreed that the employer had sufficiently demonstrated that the administrative exemption was satisfied, in light of the job duties acknowledged by both the plaintiff and the company, particularly given plaintiff’s responsibility for ensuring compliance with the Taxi and Limousine Commission regulations and her authority to hire, fire, and discipline drivers.

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