# Parts Is Parts

Insights
1.31.19

While not binding nationwide, a recent federal court decision should put to rest any legitimate argument that dealership parts counterpeople are not overtime exempt under federal law. Based on the concept that Fair Labor Standards Act (FLSA) exemptions are to be "narrowly construed," several courts in recent years had ruled that parts counterpeople were not overtime exempt under federal law *unless* they actually worked on vehicles. In December 2018, one of these courts reconsidered and abandoned its previous interpretation of the requirements for the exemption based on the Supreme Court's 2018 decision in *Encino Motors v. Navarro*.

**Federal Court Finally Sees The Light**

In *Navarro*, the Supreme Court abandoned the notion that FLSA exemptions should be narrowly construed and ruled that service advisors are overtime exempt under the same federal exemption available for dealership salespersons and technicians, even if the advisors do not actually perform work on vehicles. Following this guidance, the U.S. District Court for the Western District of New York ruled in *Buehlman v. Ide Pontiac* that the federal overtime exemption was also available to partsmen, even though they did not work on vehicles. This is consistent with United States Department of Labor guidance, which states that the federal partsmen *overtime* exemption is available to all dealership employees whose primary job duty is stocking, requisitioning, dispensing, or selling parts.

Employees eligible for the partsman exemption must still be paid at least minimum wage for all hours worked and their employers must maintain accurate time and pay records to ensure compliance with this obligation. Dealerships should always check both federal and state law when classifying employees for wage and hour purposes because the law most beneficial to the employee will be applied.

---

*For more information, contact the author at TCoffey@fisherphillips.com or 404.240.4222.*

## *Related People*

Copyright © 2024 Fisher Phillips LLP. All Rights Reserved.

**Tillman Y. Coffey**
Partner
404.240.4222
Email

## *Service Focus*

Wage and Hour

## *Industry Focus*

Automotive Dealership

Copyright © 2024 Fisher Phillips LLP. All Rights Reserved.