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News & Types: Employment, Labor & Benefits Update

Masuda Funai Employment Newsflash - Field Service Engineers Are Entitled to Overtime Pay

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Many companies employ field service engineers/technicians who travel throughout the United States installing, maintaining, and repairing a wide range of machinery (i.e., presses, injection molding machines, factory automation equipment, etc.) that has been sold to a customer. In many cases, these field service engineers are paid a salary but do not receive overtime pay for working more than forty (40) hours per workweek. Except in a very rare case, the failure to pay overtime pay to a field service engineer/technician is a violation of federal and state wage and hour laws which exposes a company to significant monetary liability for unpaid wages and attorney's fees.

In several opinion letters, the U.S. Department of Labor ("DOL") has confirmed that field service engineers/technicians do not qualify for the professional exemption from having to pay overtime because their "primary duty does not consist of the performance of work requiring knowledge of an advanced field or science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study." The DOL has also confirmed its "long-standing position that service employees and repair technicians, such as field service technicians, do not qualify for the exemption as bona fide administrative employees." According to the DOL, field service engineers are best characterized as highly skilled technicians entitled to overtime pay.

Because most field service engineers/technicians will not qualify for the professional exemption or the administrative exemption, they are entitled to overtime pay for all hours worked over forty (40) hours in each workweek. Please contact your relationship attorney with any questions on properly classifying field service engineers/technicians.