U.S. Department of Labor

Wage and Hour Division

Important information regarding recent overtime litigation in the U.S. District Court of Eastern District of Texas.



Fact Sheet #17N: Nurses and the Part 541 Exemptions Under the Fair Labor Standards Act (FLSA)

The <u>FLSA</u> requires that most employees in the United States be paid at least the federal <u>minimum wage</u> for all hour worked and <u>overtime pay</u> at time and one-half the regular rate of pay for all hours worked over 40 in a workweek. However, Section 13(a)(1) of the FLSA provides an exemption from both <u>minimum wage</u> and <u>overtime pay</u> for employees employed as bona fide <u>executive</u>, <u>administrative</u>, <u>professional</u> and <u>outside sales</u> employees. Section 13(a)(1) and Section 13(a)(17) also exempts certain <u>computer</u> employees. To qualify for exemption, employees must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week.

Nurses

To qualify for the **learned professional** employee exemption, all of the following tests must be met:

- The employee must be compensated on a <u>salary</u> or <u>fee basis</u> (as defined in the regulations) at a rate not less than \$455 per week;
- The employee's <u>primary duty</u> must be the performance of <u>work requiring advanced knowledge</u>, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
- The advanced knowledge must be in a field of science or learning; and
- The advanced knowledge must be <u>customarily acquired by a prolonged course of specialized intellectual</u> instruction.

Registered nurses who are paid on an hourly basis should receive overtime pay. However, registered nurses who are registered by the appropriate State examining board generally meet the duties requirements for the learned professional exemption, and if paid on a salary basis of at least \$455 per week, may be classified as exempt.

Licensed practical nurses and other similar health care employees, however, generally do not qualify as exempt learned professionals, regardless of work experience and training, because possession of a specialized advanced academic degree is not a standard prerequisite for entry into such occupations, and are entitled to <u>overtime</u> pay.

Where to Obtain Additional Information

For additional information, visit our Wage and Hour Division Website: http://www.wagehour.dol.gov and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243). This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

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