

Fair Reading vs. Narrowly Construed

In a 5-4 decision, the Supreme Court of the United States replaced the narrow construction standard for FLSA exemptions with a new “fair reading” standard. Lower courts will be required to take a broader approach when determining if an exemption applies.

Read the new standard from the *Encino Motorcars* case and analysis below:

**Encino Motorcars, LLC v. Navarro,
2018 U.S. LEXIS 2065**

**Mealey’s Litigation Report: U.S.
Supreme Court Majority Finds
‘Service Advisors’ Exempt From
Overtime**

**Expert Analysis: Back In The Shop
With Encino Motocars v. Navarro**



Less Burden On Employers

"If they have equal footing and are all entitled to fair interpretation, I think that opens up some new arguments for applying these exemptions in a [broader] form than they have in the past," Robinson said. "It sounds almost like there's going to be some sort of balancing interest as opposed to narrowly construing it against employers. It will open up the possibility that employers will be able to apply exemptions where they haven't been able to in the past." [*High Court Endorses Broader View Of FLSA Exemptions, Law360, April 2, 2018.*](#)