

## 9th Circuit Rules That The FAAAA Does Not Preempt California Meal And Rest Period Laws

July 14, 2014 | Fair Labor Standards Act, Labor And Employment



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In a set back for motor-carrier industry employers in California, the 9th Circuit ruled on Wednesday, July 9, 2014, that the Federal Aviation Administration Authorization Act (the FAAAA) does not preempt California meal and rest break law. In Dilts v. Penske Logistics, a three member panel of the 9th Circuit overruled a lower court that had found that the FAAAA, which provides "States may not enact or enforce a law . . . related to a price, route or service of any motor carrier . . . with respect to the transportation of property," preempted California laws relating to meal and rest periods. In the 9th Circuit's decision, written by Judge Susan Graber, the Court found that California's meal and rest period policies are not "'related to" Defendants' prices, routes, or services," and, accordingly, the FAAAA did not preempt those laws. One Judge would have remanded the case to the trial court to allow the employer to demonstrate how state law related to the motor carrier's price, route or service. Stay tuned as the employer may seek to have the case reheard by an en banc panel of the Ninth Circuit and may appeal to the U.S. Supreme Court.

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