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## BLOGS

Class Action & Litigation; Education; Hiring & Firing; Wage & Hour

# Will Unpaid Internships Be the Focus of the Next Wave of Wage and Hour Class Actions?

Last month, my colleague Kathryn Nash wrote about the [dangers when employers, particularly for-profit companies, offer unpaid internships](#). This is a legal issue that has been around for quite some time, but for some reason maybe because the risks of getting caught had not seemed very high many companies continue to hire unpaid interns. (For a funny take on unpaid internships, check out the [“Stuff White People Like” blog entry #105](#).)

Well, the stakes for companies using unpaid interns have just gotten higher. Last Wednesday, an intern filed a [wage and hour claim against Charlie Rose](#) and the production company that produces his PBS talk show, seeking class action status. This follows a wage and hour lawsuit filed in February by a former unpaid intern who worked for Harpers Bazaar. That claim was made against the magazines publisher, Hearst Corporation, and the plaintiff sought class action status. Last fall, [another lawsuit](#) was filed by two interns who worked at Fox Searchlight Pictures and claimed they were not paid for their work on the movie Black Swan.

These recent cases make me wonder if unpaid internships are going to create the next wave of state class action and federal FLSA collective action lawsuits. While that remains to be seen, given the expenses of defending against class or collective wage and hour claims (employers can be required to pay unpaid wages, liquidated damages, and attorneys fees), employers who use unpaid interns should closely examine their internship programs with the assistance of legal counsel. The U.S. Department of Labor (DOL) has published a [Fact Sheet](#) with strict guidelines for for-profit companies that offer unpaid internships. While nonprofit organizations organized for religious, charitable, civic, or humanitarian purposes are granted more leeway to use unpaid interns as volunteers, those organizations are also well-advised to work proactively with legal counsel on their unpaid internship programs to ensure that such programs are consistent with the law and minimize legal risk.

Internships can benefit both employers and interns, but employers should keep in mind that it is far less costly to pay minimum wage in the first place than to be stuck with a class action lawsuit at a later date.