

NEWS BRIEF

Supreme Court Hands Down Several Decisions as Term Ends

The U.S. Supreme Court issued several consequential decisions addressing religious accommodations, the Biden administration's student debt relief plan and affirmative action as its most recent term ends. These cases' rulings will likely have major impacts on employers, altering established labor and employment laws and workplace practices. The following article provides additional information regarding these decisions.

Religious Accommodations

The Supreme Court issued two rulings impacting religious accommodations.

Groff v. DeJoy

In *Groff v. DeJoy*, the Supreme Court unanimously ruled in favor of a U.S. Postal Service mail carrier who sought a religious accommodation. This lawsuit was brought forward by the mail carrier after they were disciplined for refusing to work on Sundays due to religious reasons.

The Supreme Court's decision makes it easier for employees to seek religious accommodations by creating a higher standard for employers to measure the burden workers' religious accommodation requests would impose on their businesses.

To deny a religious accommodation under this new standard, an employer must demonstrate that the burden of granting it would result in "substantial increased costs in relation to the conduct of its particular business." The Supreme Court vacated the 3rd U.S. Circuit Court of Appeal's decisions and remanded the case for further litigation consistent with its opinion.

303 Creative LLC v. Elenis

In *303 Creative LLC v. Elenis*, an evangelical Christian web designer refused to design websites for gay couples, although no LGBTQI+ couples had requested the web designer's services.

This lawsuit challenged the public accommodation provision of Colorado's Anti-discrimination Act prohibiting businesses from denying services to individuals based on a protected characteristic (e.g., sexual orientation). In a 6-3 vote, the Supreme Court ruled in favor of the web designer, holding that she has a free speech right to refuse to endorse messages she disagrees with and, as a result, cannot be punished under Colorado's Anti-discrimination Act. The Supreme Court's decision could permit other businesses to evade liability under state laws that protect LGBTQI+ public accommodation rights.

Student Loan Relief Plan

In a 6-3 vote, the Supreme Court struck down the Biden administration's student loan relief plan to forgive nearly 40 million student borrowers up to \$20,000 in student loan debt. The Supreme Court held that the Biden administration exceeded its authority with its plan to forgive more than \$400 billion in federal student loans.

Chief Justice Roberts wrote that the U.S. secretary of education's authority to "waive or modify" loan terms could not be stretched this far and that a mass debt cancellation program of this level needed congressional authority.

As a result of this rule, tens of millions of Americans will be denied the chance to have their federal student debt forgiven.

Affirmative Action

The Supreme Court struck down affirmative action programs at the University of North Carolina and Harvard University, likely ending the systematic consideration of race in college admissions.

In a 6-3 vote in *Students for Fair Admissions Inc. v. University of North Carolina* and a 6-2 vote in *Students for Fair Admission Inc. v. President & Fellows of Harvard College*, the Supreme Court ruled that both universities' affirmative action programs violate the Equal Protection Clause of the U.S. Constitution.

These decisions effectively overturn the Supreme Court's 2003 decision of *Grutter v. Bollinger*, which allows universities to consider race, among other factors, in university admissions because diversity in education is a legitimate aim.

While Chief Justice Roberts did not explicitly state that the former precedents were overruled in the majority opinion, Justice Clarence Thomas wrote in a concurring opinion that *Grutter* was "for all intents and purposes, overruled."

While the Supreme Court's ruling in these cases will likely not directly affect employers, it could impact workplace diversity, equity, inclusion and belonging initiatives, including the ways organizations promote and implement these initiatives in the future as well as employers' affirmative action programs.

Employer Takeaways

Recognizing these decisions and their potential impacts can help employers navigate any changes to existing labor and employment laws and workplace practices as well as better support their employees.

Employers should stay tuned for updates from Employco USA, Inc.. We will keep you apprised of any notable changes.

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