

Supreme Court Clarifies Employers' Undue Hardship Burden in Title VII Religious Accommodation Cases

By Cara J. Ottenweller

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On June 29, 2023, the U.S. Supreme Court paved the way for employees to obtain religious accommodations more easily from their employers – and made it more difficult for an employer to establish that a religious accommodation creates an "undue hardship" under Title VII.

In *Groff v. DeJoy*, Gerald Groff, a mail carrier for the United States Postal Service (USPS), asked USPS for Sundays off due to his Evangelical Christian beliefs. USPS denied Groff's request and claimed that allowing Groff to miss work on Sundays imposed an undue hardship. The district court and the Third Circuit agreed with USPS. According to the Third Circuit, because Groff's requested accommodation "imposed on his coworkers, disrupted the workplace and workflow, and diminished employee morale," it required USPS to bear more than a "de minimis" cost, and, therefore, amounted to an undue hardship under Title VII.

In its ruling, however, the U.S. Supreme Court disagreed with the Third Circuit's interpretation of "undue hardship" and held that a mere showing of more than a *de minimis* (i.e., a "very small or trifling") cost to the employer is insufficient to establish "undue hardship" under Title VII. Instead, an employer must show that granting a religious accommodation would result in "substantial increased costs" to the employer's particular business. Per the Court, whether an accommodation would result in "substantial increased costs" is dependent on a variety of factors, including "the particular accommodations at issue and their practical impact in light of the nature, size and operating cost of an employer."

Importantly, the Court further suggested that when an employee requests a religious accommodation that could impose an undue hardship, an employer should consider other potential accommodation options. For example, in a situation similar to Groff's where shift coverage is at issue, the Court said that "it would not be enough for an employer to conclude that forcing other employees to work overtime would constitute an undue hardship" and that considering "other options such as voluntary shift swapping, would also be necessary." Additionally, the Court stated that a religious accommodation's impact on coworkers is relevant only to the extent that it also affects the conduct of the business. In other words, a hardship that occurs due to other employees' animosity toward a certain religion, religion in general, or an employer's obligation to accommodate religious practices, can never constitute an "undue hardship" under Title VII.

Ultimately, the Court sent the case back to the lower courts to determine whether USPS had established "undue hardship" consistent with the clarified (and heightened) standard of showing substantial increased costs to the business.

The Supreme Court's decision will have a broad impact on religious freedom in workplaces across the country. Employers that deny religious accommodations on undue hardship grounds may now face larger hurdles in meeting their burden under Title VII. When dealing with employee requests for religious accommodations, such as time off, modified work schedules, or exceptions to employer dress codes, employers should consider a variety of potential accommodation options and evaluate the extent to which they would impose "substantial costs" on the employer's overall business. Minor burdens, like administrative costs and inconveniences, or even occasional overtime pay, will likely no longer suffice as an undue hardship.

If you have any questions, please contact **Cara J. Ottenweller** at <u>cottenweller@vedderprice.com</u> or any Vedder Price attorney with whom you have worked with any questions.

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