

PUBLICATION

EEOC Announces Six-Figure Transgender Discrimination Settlement

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The onslaught of news stories about "bathroom bills" has thrust issues facing transgender people into the national spotlight, but do you know what rights are afforded to transgender people in the workplace? Employers should know that they can be liable for workplace discrimination against transgender individuals. For the past four years, the EEOC has stated that an employer's discrimination against transgender people constitutes sex discrimination and is a violation of Title VII.

On May 5, 2016, the EEOC sent a clear message regarding transgender rights in the workplace when it announced that Ellucian, a higher education technology company, agreed to pay \$140,000 to settle charges of discrimination regarding a transgender employee. The charging party worked for Ellucian to provide informational technology on a college campus. The day after the employee told coworkers she was transgender and would begin to live openly as a woman, the college contacted Ellucian and said the woman could not return to campus. Ellucian then refused to allow the woman to return to work. In addition to agreeing to pay \$140,000, Ellucian also agreed to "provide significant non-monetary relief" to settle the discrimination charges. This news came two days after the Department of Justice wrote a letter to North Carolina governor Pat McCrory stating that HB2, the controversial North Carolina law preventing transgender people from using the bathroom corresponding to their gender, violates Title VII and Title IX.

Takeaway: The rights of transgender individuals is a hot-button issue with real-life implications for employers. Most employers understand the potential ramifications of discriminating against employees on the basis of their race or sex, and should also understand that discrimination on the basis of gender identity can land them in hot water with the EEOC. Employers should consider revising their EEO policies to clearly state that employees will not be discriminated against on the basis of their gender identity. Employers should also ensure that management and employees are aware that the employer does not tolerate discrimination based on gender identity.