

## Assembly Bill No. 488

### CHAPTER 683

An act to amend Section 12926 of, and to add Section 12926.05 to, the Government Code, relating to employment discrimination.

[Approved by Governor September 27, 2016. Filed with  
Secretary of State September 27, 2016.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 488, Gonzalez. Employment discrimination.

Existing law, the California Fair Employment and Housing Act, protects the right to seek, obtain, and hold employment without discrimination because of race, religious creed, physical disability, mental disability, sex, age, and sexual orientation, among other characteristics. The act prohibits various forms of employment discrimination, including discharging or refusing to hire or to select for training programs on a prohibited basis. The act prescribes requirements for filing complaints of employment discrimination with the Department of Fair Employment and Housing and charges this department with investigating and determining whether or not to bring a civil action on behalf of the complainant, among other duties. The act exempts employers from remedies for specified unlawful employment practices, including when the discrimination is on the basis of physical or mental disability and the disability prevents the employee from safely performing essential duties even with reasonable accommodations. The act excludes from the definition of "employee," any individual employed under a special license in a nonprofit sheltered workshop or rehabilitation facility. A special license permits the employment of individuals with disabilities at a wage less than the legal minimum wage.

This bill would authorize an individual employed under a special license in a nonprofit sheltered workshop, day program, or rehabilitation facility to bring an action under the act for any form of harassment or discrimination prohibited by the act. The bill would provide an employer against whom the individual brings this action with an affirmative defense by proving, by a preponderance of evidence, that the challenged action was permitted by statute or regulation and was necessary to serve employees with disabilities under a special license. The bill would exempt an employer's obtaining a special license, or hiring or employing a qualified individual at a wage less than the minimum wage in conformity with a special license, from the act's provisions prohibiting discrimination based on disability. The bill would provide that the definition of employee was not intended to permit the harassment of, or discrimination against, an individual employed under a special license in a nonprofit sheltered workshop, day program, or rehabilitation facility.

*The people of the State of California do enact as follows:*

SECTION 1. Section 12926 of the Government Code is amended to read:

12926. As used in this part in connection with unlawful practices, unless a different meaning clearly appears from the context:

(a) “Affirmative relief” or “prospective relief” includes the authority to order reinstatement of an employee, awards of backpay, reimbursement of out-of-pocket expenses, hiring, transfers, reassignments, grants of tenure, promotions, cease and desist orders, posting of notices, training of personnel, testing, expunging of records, reporting of records, and any other similar relief that is intended to correct unlawful practices under this part.

(b) “Age” refers to the chronological age of any individual who has reached his or her 40th birthday.

(c) Except as provided by Section 12926.05, “employee” does not include any individual employed by his or her parents, spouse, or child or any individual employed under a special license in a nonprofit sheltered workshop or rehabilitation facility.

(d) “Employer” includes any person regularly employing five or more persons, or any person acting as an agent of an employer, directly or indirectly, the state or any political or civil subdivision of the state, and cities, except as follows:

“Employer” does not include a religious association or corporation not organized for private profit.

(e) “Employment agency” includes any person undertaking for compensation to procure employees or opportunities to work.

(f) “Essential functions” means the fundamental job duties of the employment position the individual with a disability holds or desires. “Essential functions” does not include the marginal functions of the position.

(1) A job function may be considered essential for any of several reasons, including, but not limited to, any one or more of the following:

(A) The function may be essential because the reason the position exists is to perform that function.

(B) The function may be essential because of the limited number of employees available among whom the performance of that job function can be distributed.

(C) The function may be highly specialized, so that the incumbent in the position is hired for his or her expertise or ability to perform the particular function.

(2) Evidence of whether a particular function is essential includes, but is not limited to, the following:

(A) The employer’s judgment as to which functions are essential.

(B) Written job descriptions prepared before advertising or interviewing applicants for the job.

(C) The amount of time spent on the job performing the function.

(D) The consequences of not requiring the incumbent to perform the function.

- (E) The terms of a collective bargaining agreement.
- (F) The work experiences of past incumbents in the job.
- (G) The current work experience of incumbents in similar jobs.
- (g) (1) “Genetic information” means, with respect to any individual, information about any of the following:
  - (A) The individual’s genetic tests.
  - (B) The genetic tests of family members of the individual.
  - (C) The manifestation of a disease or disorder in family members of the individual.
- (2) “Genetic information” includes any request for, or receipt of, genetic services, or participation in clinical research that includes genetic services, by an individual or any family member of the individual.
- (3) “Genetic information” does not include information about the sex or age of any individual.
- (h) “Labor organization” includes any organization that exists and is constituted for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection.
  - (i) “Medical condition” means either of the following:
    - (1) Any health impairment related to or associated with a diagnosis of cancer or a record or history of cancer.
    - (2) Genetic characteristics. For purposes of this section, “genetic characteristics” means either of the following:
      - (A) Any scientifically or medically identifiable gene or chromosome, or combination or alteration thereof, that is known to be a cause of a disease or disorder in a person or his or her offspring, or that is determined to be associated with a statistically increased risk of development of a disease or disorder, and that is presently not associated with any symptoms of any disease or disorder.
      - (B) Inherited characteristics that may derive from the individual or family member, that are known to be a cause of a disease or disorder in a person or his or her offspring, or that are determined to be associated with a statistically increased risk of development of a disease or disorder, and that are presently not associated with any symptoms of any disease or disorder.
  - (j) “Mental disability” includes, but is not limited to, all of the following:
    - (1) Having any mental or psychological disorder or condition, such as intellectual disability, organic brain syndrome, emotional or mental illness, or specific learning disabilities, that limits a major life activity. For purposes of this section:
      - (A) “Limits” shall be determined without regard to mitigating measures, such as medications, assistive devices, or reasonable accommodations, unless the mitigating measure itself limits a major life activity.
      - (B) A mental or psychological disorder or condition limits a major life activity if it makes the achievement of the major life activity difficult.
      - (C) “Major life activities” shall be broadly construed and shall include physical, mental, and social activities and working.

(2) Any other mental or psychological disorder or condition not described in paragraph (1) that requires special education or related services.

(3) Having a record or history of a mental or psychological disorder or condition described in paragraph (1) or (2), which is known to the employer or other entity covered by this part.

(4) Being regarded or treated by the employer or other entity covered by this part as having, or having had, any mental condition that makes achievement of a major life activity difficult.

(5) Being regarded or treated by the employer or other entity covered by this part as having, or having had, a mental or psychological disorder or condition that has no present disabling effect, but that may become a mental disability as described in paragraph (1) or (2).

“Mental disability” does not include sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from the current unlawful use of controlled substances or other drugs.

(k) “Military and veteran status” means a member or veteran of the United States Armed Forces, United States Armed Forces Reserve, the United States National Guard, and the California National Guard.

(l) “On the bases enumerated in this part” means or refers to discrimination on the basis of one or more of the following: race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status.

(m) “Physical disability” includes, but is not limited to, all of the following:

(1) Having any physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss that does both of the following:

(A) Affects one or more of the following body systems: neurological, immunological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, and endocrine.

(B) Limits a major life activity. For purposes of this section:

(i) “Limits” shall be determined without regard to mitigating measures such as medications, assistive devices, prosthetics, or reasonable accommodations, unless the mitigating measure itself limits a major life activity.

(ii) A physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss limits a major life activity if it makes the achievement of the major life activity difficult.

(iii) “Major life activities” shall be broadly construed and includes physical, mental, and social activities and working.

(2) Any other health impairment not described in paragraph (1) that requires special education or related services.

(3) Having a record or history of a disease, disorder, condition, cosmetic disfigurement, anatomical loss, or health impairment described in paragraph

(1) or (2), which is known to the employer or other entity covered by this part.

(4) Being regarded or treated by the employer or other entity covered by this part as having, or having had, any physical condition that makes achievement of a major life activity difficult.

(5) Being regarded or treated by the employer or other entity covered by this part as having, or having had, a disease, disorder, condition, cosmetic disfigurement, anatomical loss, or health impairment that has no present disabling effect but may become a physical disability as described in paragraph (1) or (2).

(6) “Physical disability” does not include sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from the current unlawful use of controlled substances or other drugs.

(n) Notwithstanding subdivisions (j) and (m), if the definition of “disability” used in the federal Americans with Disabilities Act of 1990 (Public Law 101-336) would result in broader protection of the civil rights of individuals with a mental disability or physical disability, as defined in subdivision (j) or (m), or would include any medical condition not included within those definitions, then that broader protection or coverage shall be deemed incorporated by reference into, and shall prevail over conflicting provisions of, the definitions in subdivisions (j) and (m).

(o) “Race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status” includes a perception that the person has any of those characteristics or that the person is associated with a person who has, or is perceived to have, any of those characteristics.

(p) “Reasonable accommodation” may include either of the following:

(1) Making existing facilities used by employees readily accessible to, and usable by, individuals with disabilities.

(2) Job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.

(q) “Religious creed,” “religion,” “religious observance,” “religious belief,” and “creed” include all aspects of religious belief, observance, and practice, including religious dress and grooming practices. “Religious dress practice” shall be construed broadly to include the wearing or carrying of religious clothing, head or face coverings, jewelry, artifacts, and any other item that is part of the observance by an individual of his or her religious creed. “Religious grooming practice” shall be construed broadly to include all forms of head, facial, and body hair that are part of the observance by an individual of his or her religious creed.

(r) (1) “Sex” includes, but is not limited to, the following:

(A) Pregnancy or medical conditions related to pregnancy.

(B) Childbirth or medical conditions related to childbirth.

(C) Breastfeeding or medical conditions related to breastfeeding.

(2) “Sex” also includes, but is not limited to, a person’s gender. “Gender” means sex, and includes a person’s gender identity and gender expression. “Gender expression” means a person’s gender-related appearance and behavior whether or not stereotypically associated with the person’s assigned sex at birth.

(s) “Sexual orientation” means heterosexuality, homosexuality, and bisexuality.

(t) “Supervisor” means any individual having the authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend that action, if, in connection with the foregoing, the exercise of that authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

(u) “Undue hardship” means an action requiring significant difficulty or expense, when considered in light of the following factors:

(1) The nature and cost of the accommodation needed.

(2) The overall financial resources of the facilities involved in the provision of the reasonable accommodations, the number of persons employed at the facility, and the effect on expenses and resources or the impact otherwise of these accommodations upon the operation of the facility.

(3) The overall financial resources of the covered entity, the overall size of the business of a covered entity with respect to the number of employees, and the number, type, and location of its facilities.

(4) The type of operations, including the composition, structure, and functions of the workforce of the entity.

(5) The geographic separateness or administrative or fiscal relationship of the facility or facilities.

(v) “National origin” discrimination includes, but is not limited to, discrimination on the basis of possessing a driver’s license granted under Section 12801.9 of the Vehicle Code.

SEC. 2. Section 12926.05 is added to the Government Code, to read:

12926.05. (a) An individual employed under a special license pursuant to Section 1191 or 1191.5 of the Labor Code in a nonprofit sheltered workshop, day program, or rehabilitation facility may bring an action under this part for any form of harassment or discrimination prohibited by this part.

(b) If an individual specified in subdivision (a) brings an action against an employer for any form of harassment or discrimination prohibited by this part, the employer has an affirmative defense to the action by proving, by a preponderance of evidence, both of the following:

(1) The challenged activity was permitted by statute or regulation.

(2) The challenged activity was necessary to serve employees with disabilities under a special license pursuant to Section 1191 or 1191.5 of the Labor Code.

(c) Nothing in this part relating to discrimination on account of disability shall subject an employer to legal liability for obtaining a license pursuant to Section 1191.5 of the Labor Code or paying an individual with a physical or mental disability less than minimum wage pursuant to either Section 1191 or Section 1191.5 of the Labor Code.

(d) The Legislature finds and declares that the definition of employee in subdivision (c) of Section 12926 was not intended to permit the harassment of, or discrimination against, an individual employed under a special license pursuant to Section 1191 or 1191.5 of the Labor Code in a nonprofit sheltered workshop, day program, or rehabilitation facility.

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