LEGISLATIVE BILL 360

Approved by the Governor June 9, 1993

Introduced by Rasmussen, 20; Abboud, 12

AN ACT relating to persons with disabilities; to amend sections 20-131, 48-1101, 48-1103, 48-1108, 48-1109, 48-1110, 48-1111, 48-1112, 48-1113, 48-1114, 48-1117, 48-1121, 48-1123, 48-1124, and 48-1125, Reissue Revised Statutes of Nebraska, 1943, and section 48-1102, Revised Statutes Supplement, 1992; to state intent; to define and redefine terms; to change and adopt provisions relating to unlawful employment practices and discrimination; to harmonize provisions; to provide an operative date; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 20-131, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

20-131. It is the policy of this state that the blind, the visually handicapped, and the otherwise physically disabled persons with disabilities shall be employed by the state, the political subdivisions of the state, the public schools, and all other employment supported in whole or in part by public funds on the same terms and conditions as the able bodied, unless it is shown that the particular disability prevents the performance of the work-involved persons without disabilities as required by the Nebraska Fair Employment Practice Act.

Sec. 2. That section 48-1101, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

It is the policy of this state to foster the 48-1101. employment of all employable persons in the state on the basis of merit regardless of their race, color, religion, sex, disability, or national originand to safeguard their right to obtain and hold employment without discrimination because of their race, color, religion, sex, disability, or national origin. Denying equal opportunity for employment because of race, color, religion, sex, disability, or national origin is contrary to the principles of freedom and is a burden on the objectives of the public policy of this state. The policy of this state does not require any person to employ an applicant for employment because of his or her race, color, religion, sex, disability, or national origin, ; and the policy of this state does not require any employer, employment agency, labor organization, or joint labor-management committee to grant preferential treatment to any individual or to any group because of race, color, religion, sex, disability, or national origin.

It is the public policy of this state that all people in Nebraska, both with and without disabilities, shall have the right and opportunity to enjoy the benefits of living, working, and recreating within this state. It is the intent of the Legislature that state and local governments, Nebraska businesses, Nebraska labor organizations, and Nebraskans with disabilities understand their rights and responsibilities under the law regarding employment discrimination and the prevention of discrimination on the basis of disability.

Sec. 3. That section 48-1102, Revised Statutes Supplement, 1992, be amended to read as follows:

48-1102. As used in For purposes of the Nebraska Fair Employment Practice Act, unless the context otherwise requires:

(1) Person shall include one or more individuals, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, or receivers;

(2) Employer shall mean a person engaged in an industry who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year, any agent of such a person, and any party whose business is financed in whole or in part under the Nebraska Investment Finance Authority Act regardless of the number of employees and shall include the State of Nebraska, governmental agencies, and political subdivisions, regardless of the number of employees, but such term shall not include (a) the United States, or an Indian tribe or (b) a bona fide private membership club, other than a labor organization, which is exempt from taxation under section 501(c) of the Internal Revenue Code; of 1954;

(3) Labor organization shall mean any organization which exists wholly or in part for one or more of the following purposes: Collective bargaining; dealing with employers concerning grievances, terms, or conditions of employment; or mutual aid or protection in relation to employment;

(4) Employment agency shall mean any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and shall include an agent of such a person but shall not include an agency of the United States, except that such term shall include the United States Employment Service and the system of state and local employment services receiving federal assistance;

(5) Covered entity shall mean an employer, an employment agency, a labor organization, or a joint labor management committee;

(6) (5) Privileges of employment shall mean terms and conditions of any employer-employee relationship, opportunities for advancement of employees, and plant conveniences;

(7) (6) Employee shall mean an individual employed by an employer;

(8) (7) Commission shall mean the Equal Opportunity Commission;

(8) Disability shall mean any physical or mental condition,

-2-

infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, or illness, including epilepsy or seizure disorders; and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impediment, deafness or hearing impediment, muteness or speech impediment, or physical reliance on a dog guide, wheelchair, or other remedial appliance or device and shall also mean the physical or mental condition of a person which constitutes a substantial handicap, as determined by a physician, but does not reasonably preclude a person's ability to engage in a particular occupation. Disability shall not include an addiction to alcohol, controlled substances, or gambling which is currently being practiced by the employee. For purposes of this subdivision, does not reasonably preclude shall mean that an employer shall not be subject to more than a de minimis expense:

(9) Disability shall mean (a) a physical or mental impairment that substantially limits one or more of the major life activities of such individual, (b) a record of such an impairment, or (c) being regarded as having such an impairment. Disability shall not include homosexuality, bisexuality, transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender-identity disorders not resulting in physical impairments, other sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from current illegal use of drugs;

(10)(a) Qualified individual with a disability shall mean an individual with a disability who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires. Consideration shall be given to the employer's judgment as to what functions of a job are essential, and if an employer has prepared a written description before advertising or interviewing applicants for the job, this description shall be considered evidence of the essential functions of the job;

(b) Qualified individual with a disability shall not include any employee or applicant who is currently engaged in the illegal use of drugs when the covered entity acts on the basis of such use; and

(c) Nothing in this subdivision shall be construed to exclude as a qualified individual with a disability an individual who:

(i) Has successfully completed a supervised drug rehabilitation program or otherwise been rehabilitated successfully and is no longer engaging in the illegal use of drugs;

(ii) Is participating in a supervised rehabilitation program and is no longer engaging in such use; or

(iii) Is erroneously regarded as engaging in such use but is not engaging in such use;

(11) Reasonable accommodation shall include making existing facilities used by employees readily accessible to and usable by individuals with disabilities, job-restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modification of examinations, training manuals, or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities. Reasonable accommodation shall not include accommodations which the covered entity can demonstrate require significant difficulty or expense thereby posing an undue hardship upon the covered entity. Factors to be considered in determining whether an accommodation would pose an undue hardship shall include;

(a) The nature and the cost of the accommodation needed under the Nebraska Fair Employment Practice Act;

(b) The overall financial resources of the facility or facilities involved in the provision of the reasonable accommodation, the number of persons employed at such facility, the effect on expenses and resources, or the impact otherwise of such accommodation upon the operation of the facility;

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

(d) The type of operation or operations of the covered entity, including the composition, structure, and functions of the work force of such entity, and the geographic separateness and administrative or fiscal relationship of the facility or facilities in question to the covered entity;

(12) (9) Marital status shall mean the status of a person whether married or single;

(13) $(\overline{10})$ Because of sex or on the basis of sex shall include, but not be limited to, because of or on the basis of pregnancy, childbirth, or related medical conditions; and

(14) (11) Unlawful under federal law or the laws of this state shall mean acting contrary to or in defiance of the law or disobeying or disregarding the law;

(15) Drug shall mean a controlled substance as defined in section 28-401; and

(16) Illegal use of drugs shall mean the use of drugs, the possession or distribution of which is unlawful under the Uniform Controlled Substances Act, but shall not include the use of a drug taken under supervision by a licensed health care professional or any other use authorized by the Uniform Controlled Substances Act or other provisions of state law.

Sec. 4. <u>It shall not be an unlawful employment practice for</u> a covered entity to:

(1) Prohibit the illegal use of drugs and the use of alcohol at the workplace by all employees;

(2) Require that employees not be under the influence of alcohol or be engaging in the illegal use of drugs at the workplace;

(3) Require employees to comply with any federal regulations concerning the use of alcohol or the illegal use of drugs which are applicable to the position of the employee or to the industry involved; or

(4) Hold an employee who engages in the illegal use of drugs or who is an alcoholic to the same qualification standards for employment or job performance and behavior that such entity holds other employees even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such employee.

Sec. 5. It shall be an unlawful employment practice for a covered entity to discriminate against a qualified individual with a disability because of the disability of such individual in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

Sec. 6. When referring to a qualified individual with a disability, discrimination shall include:

(1) Limiting, segregating, or classifying a job applicant or employee in a way that adversely affects the opportunities or status of the applicant or employee because of the disability of the applicant or employee;

(2) Participating in a contractual or other arrangement or relationship that has the effect of subjecting a qualified individual with a disability to discrimination in the application or employment process, including a relationship with an employment agency, a labor union, an organization providing fringe benefits to an employee of the covered entity, or an organization providing training and apprenticeship programs;

(3) Utilizing standards, criteria, or methods of administration (a) that have the effect of discrimination on the basis of disability or (b) that perpetuate the discrimination against others who are subject to common administrative control;

(4) Excluding or otherwise denying equal jobs or benefits to a qualified individual with a disability because of the known disability of an individual with whom the qualified individual with a disability is known to have a relationship or association;

(5) Not making reasonable accommodations to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee unless such covered entity can demonstrate that the accommodation would impose an undue hardship on the operation of the business of the covered entity;

(6) Denving employment opportunities to a job applicant or employee who is otherwise a qualified individual with a disability if the denial is based upon the need of such covered entity to make reasonable accommodation to the physical or mental impairments of the employee or applicant;

(7) Using qualification standards, employment tests, or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the standard, test, or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity;

(8) Failing to select and administer tests concerning

employment in the most effective manner to ensure that, when the test is administered to a job applicant or employee who has a disability that impairs sensory, manual, or speaking skills, the test results accurately reflect the skills, aptitude, or whatever other factor of the applicant or employee that the test purports to measure rather than reflecting the impaired sensory, manual, or speaking skills of the employee or applicant except when such skills are the factors that the test purports to measure;

(9) Conducting a medical examination or making inquiries of a job applicant as to whether the applicant is an individual with a disability or as to the nature or severity of the disability, except that:

(a) A covered entity may make preemployment inquiries into the ability of an applicant to perform job-related functions;

(b) A test to determine the illegal use of drugs shall not be considered a medical examination; and

(c) A covered entity may require a medical examination after an offer of employment has been made to a job applicant and prior to the commencement of the employment duties of the applicant and may condition an offer of employment on the results of the examination if:

(i) All entering employees are subjected to such an examination regardless of disability;

(ii) Information obtained regarding the medical condition or history of the applicant is collected and maintained on separate forms and in separate medical files and is treated as a confidential medical record, except that (A) supervisors and managers may be informed regarding necessary restrictions on the work or duties of the employee and necessary accommodations, (B) first-aid and safety personnel may be informed, when appropriate, if the disability might require emergency treatment, (C) government officials investigating compliance with the Nebraska Fair Employment Practice Act shall be provided relevant information on request, and (D) information shall be made available in accordance with the Nebraska Workers' Compensation Act; and

(iii) The results of the examination are used only in a manner not inconsistent with the Nebraska Fair Employment Practice Act; and

(10) Requiring a medical examination or making inquiries of an employee as to whether the employee is an individual with a disability or as to the nature or severity of the disability, unless the examination or inquiry is shown to be job-related and consistent with business necessity. A test to determine the illegal use of drugs shall not be considered a medical examination. A covered entity may conduct voluntary medical examinations, including voluntary medical histories, which are part of an employee health program available to employees at the work site and may make inquiries into the ability of an employee to perform job-related functions if the information obtained regarding the medical condition or history of the employee is subject to the requirements in subdivisions (9)(c)(ii) and (iii) of this section.

Sec. 7. That section 48-1103, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1103. Sections 48-1101 to 48-1125 The Nebraska Fair Employment Practice Act shall not apply to:

(1) A religious corporation, association, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, or society of its religious activities; ; or

(2) <u>The</u> the employment of any individual (a) by his or <u>her</u> parent, grandparent, spouse, child, or grandchild; or (b) in the domestic service of any person.

Sec. 8. That section 48-1108, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1108. Notwithstanding any other provision of sections 48-1101 to 48-1125, the Nebraska Fair Employment Practice Act:

(1) It it shall not be an unlawful employment practice for an employer to hire and employ employees, for an employment agency to classify; or refer for employment any individual, for a labor organization to classify its membership or to classify or refer for employment any individual, or for an employer, labor organization, or joint labor-management committee controlling apprenticeship or other training or retraining programs to admit or employ any individual in any such program; on the basis of religion, sex, disability, marital status, or national origin in those certain instances where when religion, sex, disability, marital status, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of that particular business or enterprise; ; and

(2) It it shall not be an unlawful employment practice for a school, college, university, or other educational institution or institution of learning to hire and employ employees of a particular religion if such school, college, university, or other educational institution or institution of learning is, in whole or in substantial part, owned, supported, controlled, or managed by a particular religion or by a particular religious corporation, association, or society; or if the curriculum of such school, college, university, or other educational institution of learning is directed toward the propagation of a particular religion.

Sec. 9. That section 48-1109, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1109. As used in sections 48-1101 to 48-1125 For purposes of the Nebraska Fair Employment Practice Act, the phrase unlawful employment practice shall not be deemed to include any action or measure taken by an employer, labor organization, joint labor-management committee, or employment agency with respect to an individual who is a member of the Communist Party of the United States or of any other organization required to register as a Communist-action or Communist-front organization by final order of the Subversive Activities Control Board pursuant to the Subversive Activities Control Act of 1950.

Sec. 10. That section 48-1110, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1110. Notwithstanding any other provision of sections

48-1101-to-48-1125 the Nebraska Fair Employment Practice Act, it shall not be an unlawful employment practice for an employer to fail or refuse to hire and employ any individual for any position, for an employer to discharge any individual form any position, or for an employment agency to fail or refuse to refer any individual for employment in any position, or for a labor organization to fail or refuse to refer any individual for employment in any position, if:

(1) The occupancy of such position, or access to the premises in or upon which any part of the duties of such position is performed or is to be performed, is subject to any requirement imposed in the interest of the national security of the United States under any security program in effect pursuant to or administered under any statute of the United States or any Executive Order of the President; and

(2) Such individual has not fulfilled or has ceased to fulfill that requirement.

Sec. 11. That section 48-1111, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1111. (1)Notwithstanding any other provision of sections 48 H01 to 48 H25 Except as otherwise provided in the Nebraska Fair Employment Practice Act, it shall not be an unlawful employment practice for an employer to apply different standards of compensation, or different terms, conditions, or privileges of employment pursuant to a bona fide seniority or merit system; or a system which measures earnings by quantity or quality of production or to employees who work in different locations, if such differences are not the result of an intention to discriminate because of race, color, religion, sex, disability, marital status, or national origin, nor shall it be an unlawful employment practice for an employer to give and to act upon the results of any professionally developed ability test if such test, its administration, or action upon the results is not designed, intended, or used to discriminate because of race, color, religion, sex, disability, marital status, or national origin.

It-shall-not-be-an-unlawful employment-practice for an employer, employment agency, labor organization, or joint labor management committee to deny privileges of employment when the nature and extent of a disability reasonably preclude the performance of the particular employment:

It shall not be an unlawful employment practice for a covered entity to deny privileges of employment to an individual with a disability when the gualification standards, tests, or selection criteria that screen out or tend to screen out or otherwise deny a job or benefit to an individual with a disability:

(a) Have been shown to be job-related and consistent with business necessity and such performance cannot be accomplished by reasonable accommodation, as required by the Nebraska Fair Employment Practice Act and the federal Americans with Disabilities Act of 1990; or

(b) Include a requirement that an individual shall not pose

a direct threat, involving a significant risk to the health or safety of other individuals in the workplace, that cannot be eliminated by reasonable accommodation.

It shall not be an unlawful employment practice to refuse employment based on a policy of not employing both husband and wife if such policy is equally applied to both sexes.

(2) Women affected by pregnancy, childbirth, or related medical conditions shall be treated the same for all employment-related purposes, including receipt of employee benefits, as other persons not so affected but similar in their ability or inability to work, and nothing in this section shall be interpreted to provide otherwise.

This section shall not require an employer to provide employee benefits for abortion except when medical complications have arisen from an abortion.

Nothing in this section shall preclude an employer from providing employee benefits for abortion under fringe benefit programs or otherwise affect bargaining agreements in regard to abortion.

Sec. 12. That section 48-1112, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1112. Nothing eontained in sections 48 1101 to 48 1125 in the Nebraska Fair Employment Practice Act shall apply to any business or enterprise on or near an Indian reservation with respect to any publicly announced employment practice of such business or enterprise under which a preferential treatment is given to any individual because he or she is an Indian living on or near a reservation.

Sec. 13. That section 48-1113, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1113. Nothing contained in sections 48-1101-to 48 1125 in the Nebraska Fair Employment Practice Act shall be interpreted to require any employer, employment agency, labor organization, or joint labor-management committee subject to sections 48-1101-to 48-1125 the act to grant preferential treatment to any individual or to any group because of the race, color, religion, sex, disability, marital status, or national origin of such individual or group on account of an imbalance which may exist with respect to the total number or percentage of persons of any race, color, religion, sex, disability, marital status, or national origin employed by any employer, referred or classified for employment by any employment agency or labor organization, admitted to membership or classified by any labor organization, or admitted to, or employed in, any apprenticeship or other training program, in comparison with the total number or percentage of persons of such race, color, religion, sex, disability, marital status, or national origin in any community, section, or other area, or in the available work force in any community, section, or other area.

Sec. 14. That section 48-1114, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1114. It shall be an unlawful employment practice for an employer to discriminate against any of his or her employees or applicants for employment, for an employment agency to discriminate against any individual, or for a labor organization to discriminate against any member thereof or applicant for membership, because he or she (1) has opposed any practice made an unlawful employment practice by sections 48 1101 to 48 1125 the Nebraska Fair Employment Practice Act, (2) has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under sections 48 1101 to 48 1125 the act, or (3) has opposed any practice or refused to carry out any action unlawful under federal law or the laws of this state.

Sec. 15. That section 48-1117, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1117. The commission shall have the following powers and duties:

(1) To receive, investigate, and pass upon charges of unlawful employment practices anywhere in the state;

(2) To hold hearings, subpoena witnesses, compel their attendance, administer oaths, and take the testimony of any person under oath and, in connection therewith, to require the production for examination of any books and papers relevant to any allegation of unlawful employment practice pending before the commission. The commission may make rules as to the issuance of subpoenas, subject to the approval by a constitutional majority of the elected members of the Legislature;

(3) To cooperate with the federal government and with local agencies to effectuate the purposes of sections 48 1101 to 48 1125 the Nebraska Fair Employment Practice Act, including the sharing of information possessed by the commission on a case that has also been filed with the federal government or local agencies if both the employer and complainant have been notified of the filing;

(4) To attempt to eliminate unfair employment practices by means of conference, conciliation, and persuasion;

(5) To require that every employer, employment agency, and labor organization subject to sections 48-1101 to 48-1125 the act shall (a) make and keep such records relevant to the determinations of whether unlawful employment practices have been or are being committed, (b) preserve such records for such periods, and (c) make such reports therefrom, as the commission shall prescribe by regulation or order, after public hearing, as reasonable, necessary, or appropriate for the enforcement of sections 48 1101 to 48 1125 the act or the regulations or orders thereunder. The commission shall, by regulation, require cach employer, labor organization, and joint labor management committee subject to sections 48 1101 to 48 1125 the act which controls an apprenticeship or other training program to maintain such records as are reasonably necessary to carry out the purposes of sections 48 1101 to 48-1125 the act, including, but not limited to, a list of applicants who wish to participate in such program, including the chronological order in which such applications were received, and to furnish to the commission, upon request, a detailed description of the manner in which persons are selected to participate in the apprenticeship or other training program. Any employer, employment agency, labor organization, or joint labor-management committee which believes that the application to it of any regulation or order issued under this section would result in undue hardship may either apply to the commission for an exemption from the application of such regulation or order; or bring a civil action in the district court for the district where such records are kept. If the commission or order to the employer, employment agency, or labor organization in question would impose an undue hardship, the commission or the court, as the case may be, may grant appropriate relief;

(6) To report, not less than once each two years, to the Clerk of the Legislature and the Governor, on the hearings it has conducted and the decisions it has rendered, the other work performed by it to carry out the purposes of sections 48 1101 to 48 1125; the act and to make recommendations for such further legislation concerning abuses and discrimination because of race, color, religion, sex, disability, marital status, or national origin, as may be desirable; and

Each member of the Legislature shall receive a copy of the report required by subdivision (6) of this section by making a request for it to the chairperson of the commission.

Sec. 16. That section 48-1121, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1121. Every employer, employment agency, and labor organization subject to the provisions of sections 48 1101 to 48 1125 <u>Nebraska Fair Employment Practice Act</u> shall post in a conspicuous place or places on his, <u>her</u>, or its premises a notice to be prepared or approved by the commission which shall set forth excerpts of sections 48 1101 to 48 1125 <u>the act</u> and such other relevant information which the commission deems necessary to explain sections 48 1101 to 48 1125 <u>the</u> act.

Sec. 17. That section 48-1123, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1123. Any person, employer, labor organization, or employment agency who or which shall willfully resist, prevent, impede or interfere willfully resists, prevents, impedes, or interferes with the commission or any of its members or representatives in the performance of duty under sections 48-1191 to 48-1125, or shall willfully violate the Nebraska Fair Employment Practice Act or willfully violates an order of the commission shall be guilty of a Class III misdemeanor. Procedure for the review of the order shall not be deemed to be such willful conduct.

Sec. 18. That section 48-1124, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1124. Nothing contained in sections 48-1101 to 48-1125 the Nebraska Fair Employment Practice Act shall be deemed to repeal any of the provisions of the civil rights law, any other law of this state, or any municipal ordinance relating to discrimination because of race, creed, color, religion, sex, disability, or national origin.

Sec. 19. That section 48-1125, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

48-1125. Sections 48-1101 to 48-1125 and sections 4, 5, and 6 of this act shall be known and may be cited as the Nebraska Fair Employment Practice Act.

Sec. 20. This act shall become operative on July 26, 1994.

Sec. 21. That original sections 20-131, 48-1101, 48-1103, 48-1108, 48-1109, 48-1110, 48-1111, 48-1112, 48-1113, 48-1114, 48-1117, 48-1121, 48-1123, 48-1124, and 48-1125, Reissue Revised Statutes of Nebraska, 1943, and section 48-1102, Revised Statutes Supplement, 1992, are repealed.