

HR Weekly Podcast
11-05-2014

Today is November 5, 2014, and welcome to the HR Weekly Podcast from the State Human Resources Division. This week's topic discusses a recent United States Fourth Circuit Court of Appeals decision concerning a sexual harassment case.

Ms. Stacey Stewart, who worked as a table games dealer at the Mountaineer Casino Racetrack and Resort, filed suit following her termination claiming she had been sexually harassed and that her termination was in retaliation for her complaints of sexual harassment. Ms. Stewart claimed that for nearly a year she was subjected to constant inappropriate sexual comments. These comments included propositions for sex and were accompanied by three incidents of touching and rumors that she was caught having sex with a co-worker at work. Ms. Stewart claimed that all of this workplace behavior combined to create a hostile work environment.

The district court granted summary judgment to MTR, the company that operates the Mountaineer Casino Racetrack and Resort, concerning Ms. Stewart's hostile work environment and retaliation claims. The appeals court upheld the summary judgment concerning Ms. Stewart's retaliation claim but remanded the hostile work environment claim back to the district court. In its decision, the appeals court noted that to establish a hostile work environment claim Ms. Stewart had to demonstrate that she was subjected to conduct that was unwelcome, based on her gender, sufficiently severe or pervasive to alter the conditions of her employment and create an abusive work environment, and imputable to her employer. The appeals court agreed with the district court's determination that the rumors concerning Ms. Stewart did not meet these requirements as it was not based on her gender. The appeals court further agreed with the district court's determination that Ms. Stewart had raised a genuine material issue of fact with regard to the duration, severity, and pervasiveness of the inappropriate comments and touching she contended occurred.

The appeals court determined, however, that the district court improperly applied the burden-shifting framework to Ms. Stewart's hostile work environment claim. The district court determined that, even if Ms. Stewart raised a genuine material issue of fact concerning her hostile work environment claim, summary judgment was appropriate because she could not show that MTR's legitimate, non-discriminatory reasons for her termination were a pretext as required under the burden-shifting framework. The appeals court disagreed finding that, because Ms. Stewart claimed to have direct evidence to support her hostile work environment claim, the burden-shifting framework was inappropriate. The appeals court noted that the burden-shifting framework is appropriate when there is no direct evidence of harassment.

The appeals court concluded that, because Ms. Stewart raised a material issue of fact as to the first three elements of a hostile work environment claim, that the conduct was unwelcome, based on her gender and sufficiently severe or pervasive to alter the conditions of her employment, the district court should have assessed whether a material issue of fact as to the fourth element, that the conduct was imputable to MTR, existed. Therefore, the appeals court remanded the case back to the district court for further proceedings. Thank you.