

## **Civil Rights Department**

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## Civil Rights Department Sues Cambrian Homecare, Inc. Over Failure to Report Employee Pay Data

Despite repeated warnings, company failed to file pay data transparency reports aimed at combatting gender and racial wage gaps

**SACRAMENTO** – The California Civil Rights Department (CRD) today announced taking legal action against Cambrian Homecare, Inc. (Cambrian Homecare) over the company's alleged failure to report employee pay data. Under California law, private employers of 100 or more employees or contractors are required to annually report pay, demographic, and other workforce data to the state. Despite repeated warnings, the company failed to file legally required pay data transparency reports, which are part of the state's broader efforts to combat discrimination in the workplace and persistent gender and racial wage gaps.

"Every year, women and communities of color lose out on billions of dollars in wages because of pay inequities," said CRD Director Kevin Kish. "In order to address the problem, we need to understand it and acknowledge it. California's pay data reporting requirements are a critical part of our state's efforts to combat discrimination in the workplace. Cambrian Homecare must comply with the law. Transparency is key. Companies in our state have to do their part in tackling the wage gap. Together, we can make progress and create a fairer California for all."

As a result of the passage of Senate Bill 973 in 2020, California collects pay data to encourage employers to conduct self-assessments of pay disparities, promote voluntary compliance with equal pay and anti-discrimination laws, and support efforts by the state to efficiently identify wage patterns and allow for effective enforcement of anti-discrimination laws in the workplace. In passing the law, the Legislature recognized that, despite significant progress in California to strengthen equal pay laws, the gender pay gap persists, resulting in billions of dollars in lost wages. In 2016, women working full time on average earned 88 cents to every dollar earned by men, and for women of color, the gap has been significantly worse. According to California pay data from 2020, women were overrepresented among those earning under approximately \$30,000 each year and less than 10% of Latino and Black Californians were in the highest earning bracket of approximately \$129,000 and over. In contrast, nearly 30% of white Californians were in the highest earning bracket in 2020. In 2022, the Legislature expanded pay data requirements under Senate Bill 1162 to include labor contractors.

California's pay data law requires employers to provide information on the number of employees by race, ethnicity, and sex in certain job categories and by category of rate of pay to CRD on an annual basis. Despite these requirements and repeated warnings from CRD, Cambrian Homecare allegedly failed to comply with the state's legally mandated reporting requirements, failing to submit pay data for 2020, 2021, and 2022. Cambrian Homecare, which is headquartered in Long Beach, California, operates in dozens of locations primarily across Southern California, employing hundreds of Californians. In the petition to compel compliance filed before the Los Angeles County Superior Court, CRD is seeking civil penalties and a court order requiring the company to comply with California's reporting requirements.

In 2022, CRD secured a set of <u>first-of-a-kind stipulated judgments against Chase Bank and Michaels</u> to ensure the companies' compliance with California's pay data reporting requirements. General information on California's pay data reporting process is available <u>here</u>. Pay data reporting results for 2020 are available <u>here</u>.

If you or someone you know has been the victim of discrimination, CRD may be able to assist you through its complaint process. General information about CRD's complaint process and how to file a complaint is available <a href="here">here</a>.

A copy of the petition to compel compliance against Cambrian Homecare is available here.

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CRD is the state agency charged with enforcing California's civil rights laws. Formerly known as the California Department of Fair Employment and Housing (DFEH), the mission of CRD is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-fund programs and activities, and from hate violence and human trafficking. For more information, visit calcivilrights.ca.gov.

