

Civil Rights Department

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Civil Rights Department Secures Nearly \$100K Settlement to Resolve Cambrian Homecare, Inc. Pay Data Lawsuit

Company commits to annually filing all future pay data reports aimed at combatting gender and racial wage gaps

SACRAMENTO – The California Civil Rights Department (CRD) today announced securing a nearly \$100,000 settlement to resolve a lawsuit filed against Cambrian Homecare, Inc. (Cambrian Homecare) in July 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. As part of the settlement announced today, the company commits to annually filing all future pay data reports aimed at combatting gender and racial wage gaps.

"This settlement makes it clear that we will hold companies accountable for failing to comply with California's pay data reporting requirements," **said CRD Director Kevin Kish.** "I urge employers across the state to do their part, review their own pay data, and take action to ensure all employees are treated equitably. Everyone is entitled to equal pay for equal work."

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 until after CRD's lawsuit was filed. The settlement announced today resolves CRD's lawsuit and requires Cambrian Homecare to comply with the state's pay data reporting requirements. In addition to committing to annually file all future reports, Cambrian Homecare will pay \$70,000 in penalties and \$24,778 to cover costs and fees associated with the litigation. Cambrian Homecare, which is headquartered in Long Beach, California, operates in locations across six Southern California counties and four Northern California counties, and employs more than 2,000 people.

As a result of the passage of <u>Senate Bill 973</u> 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,

KEVIN KISH, DIRECTOR

the gender pay gap persists, resulting in billions of dollars in lost wages. According to <u>California pay</u> <u>data from 2021</u>, women and communities of color remained concentrated among the state's lowest paid workers. For instance, while there were fewer women (48%) in the workforce data, they made up a larger share of workers (54%) in the lowest pay range earning \$32,239 or less. In addition, fewer than 1 in 20 Latino workers, and 1 in 10 Black and Native American workers were in the top-earning positions, whereas nearly 1 in 4 white workers and 1 in 3 Asian workers were employed in the highest pay range. In 2022, the Legislature expanded pay data requirements under <u>Senate Bill 1162</u> to include labor contractors.

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 2021 and 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 <u>here</u>.

The settlement announced today was litigated by Staff Counsel Soyeon Oum and Associate Chief Counsel Renée Paradis.

A copy of the settlement approved by the court is available <u>here</u>. A copy of the petition to compel filed in July is available <u>here</u>.

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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 <u>calcivilrights.ca.gov</u>.

