



## Civil Rights Department

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### California Settles with Big Box Retailers, Amazon, and Others Over Alleged Violations of State Fair Chance Act

*Settlements require companies to pay individual complainants and take corrective action to protect against future discrimination*

**SACRAMENTO** – The California Civil Rights Department (CRD) today announced individual settlements with Amazon, Ikea, Kohl's, the Los Angeles Dodgers, The Citizen Hotel, and MPIJet over alleged violations of California's Fair Chance Act. The Fair Chance Act aims to reduce barriers to employment that can prevent people with past arrests or convictions from successfully reintegrating into their communities. As a result of the settlements, each company will pay individual complainants who were allegedly denied job opportunities and take corrective action to protect against future discrimination.

"Nobody deserves to get locked out of the job market," said **CRD Director Kevin Kish**. "If we want to get serious about helping people get their lives back on track, we owe it to them to give them a chance to make a living. By giving people a pathway forward in their own lives, we're also doing critical work to ensure public safety in our communities. I'm grateful to our team at the Civil Rights Department for their continued commitment to the civil rights of all our state's residents. These settlements are going to ensure workers and job applicants across California get the protection they are entitled to under the Fair Chance Act."

#### Locked Out of the Job Market

In 2023, CRD received individual complaints against each of the companies alleging that they unlawfully rejected otherwise qualified job applicants and failed to comply with the requirements of the Fair Chance Act. According to the complaints, the companies either failed to follow legally required hiring processes — such as specifying in writing the disqualifying offense — or denied employment opportunities over unrelated or even decades-old criminal history information. In each instance, the companies also allegedly failed to consider the gravity of the offense, the time that had passed, and how the offense related to the actual job being sought. Among other claims, the companies allegedly:

- **Amazon:** Denied a Bay Area applicant the opportunity to work as a delivery driver over a conviction that was more than seven years old.
- **Ikea:** Failed to demonstrate a direct and adverse relationship between the applicant's conviction history and the duties of a job as a furniture builder in Carson.

- **Kohl's:** Denied an applicant a job as a warehouse worker in Los Angeles based on criminal history information unlawfully obtained through a criminal history questionnaire.
- **Dodgers:** Failed to notify an applicant for a guest services job of the specific reason for having their hire blocked or provide an opportunity to submit evidence challenging the reason.
- **The Citizen Hotel:** Unlawfully considered criminal history information that had been sealed, dismissed, or expunged for a person applying for a job as a bartender in Sacramento.
- **MPIJet:** Unlawfully considered criminal history information that had been sealed, dismissed, or expunged for a person applying for a job at a private charter jet company in Monterey.

### **Everyone Deserves a Fair Chance**

More broadly, the Fair Chance Act bars most employers from asking about a job applicant's criminal history before making a job offer and limits convictions that employers can use to disqualify someone to those that have a direct and harmful relationship with the job. For instance, advertisements with statements like "No Felons" or "Must Have Clean Record" violate the law's protections. In passing the Fair Chance Act, the Legislature recognized that [nearly one in three adults](#) in the state have an arrest or conviction that can significantly undermine their efforts to get a job. Ultimately, ensuring everyone has a fair chance to make a living contributes to increased public safety by giving people the tools they need to support themselves and their families.

### **Settlements Bring Direct Relief and Reform**

After conducting initial investigations into each of the complaints, CRD provided the companies opportunities to voluntarily settle the alleged violations. As a result, the companies — depending on the specific harms alleged — will each take different corrective actions, such as:

- Conducting individualized assessments of job applicants' criminal history information prior to an adverse employment action.
- Ensuring convictions that have been sealed, dismissed, or expunged are not considered in connection with any application for employment.
- Providing written notice to applicants with specific information indicating if an offense is considered disqualifying and how to respond with evidence of rehabilitation.
- Submitting to temporary monitoring by CRD to ensure compliance with the Fair Chance Act.
- Paying the individual complainants to cover lost wages or other harms.

### **State Ramps Up Fair Chance Act Enforcement**

Since the law went into effect in 2018, CRD has secured more than 100 Fair Chance Act settlements on behalf of affected individuals. Earlier this year, CRD reached a [more than \\$50,000 Fair Chance Act settlement](#) with global healthcare giant Octapharma Plasma. Late last year, the department filed a [first-of-its-kind lawsuit against Ralphs](#) over allegedly denying employment opportunities to hundreds of applicants at California grocery store locations. In 2023, CRD announced a [nearly \\$100,000 mediated settlement](#) with the Moraga-Orinda Fire Protection District to resolve alleged violations of the Fair Chance Act, one of the largest settlements of its kind on behalf of an individual. CRD has also [taken proactive steps](#) to identify and correct unlawful online job advertisements that violate the Fair Chance

Act and [launched an online interactive guide](#) to help individuals better understand whether the Fair Chance Act’s protections apply to them.

If you or someone you know has been the victim of employment discrimination, CRD may be able to assist you through its [complaint process](#). The department also [provides general information and factsheets online](#) about civil rights protections for members of the public, as well as specific guidance for [employers and employees](#) on the Fair Chance Act.

The settlements announced today were secured by Senior Associate Chief Counsel Mamta Ahluwalia, Senior Staff Counsel Christa Conry, and Staff Attorney Dylan Crary. They were supported by Attorney IV Mediator Mary Leichter and Senior Attorney Mediator Bruce Carter of CRD’s Dispute Resolution Division, as well as staff with CRD’s Enforcement Division.

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*The California Civil Rights Department (CRD) is the state agency charged with enforcing California’s civil rights laws. CRD’s mission is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-funded programs and activities, and from hate violence and human trafficking. For more information, visit [calcivilrights.ca.gov](http://calcivilrights.ca.gov).*

