

California Pay Data Reporting Is Due May 8, 2024 (Now With New Requirements!)

California Employment Law Update on March 21, 2024

As readers may know, California requires private employers of 100 or more employees and/or 100 or more workers hired through labor contractors to annually report pay, demographic, and other workforce data to the Civil Rights Department ("CRD").

The CRD has published "important announcements" regarding changes to this year's reporting requirements, including the following:

- New data fields for remote workers: Employers must now report information regarding the extent to which its workforce is remote during the "Snapshot Period" (i.e., a single pay period of the employer's choice between October 1 and December 31, 2023). Specifically, the CRD added three new reporting fields: (1) the number of remote employees located within California; (2) the number of remote employees located outside of California; and (3) the number of employees that do not work remotely. For purposes of this reporting, the CRD defines a "remote worker" as "[a] payroll or labor contractor employee who is entirely remote, teleworking, or home-based, and has no expectation to regularly report in person to a physical establishment to perform work duties." Therefore, hybrid employees are not considered "remote" for these purposes.
- Race, ethnicity, sex for Labor Contractor Employee Reports: Reporting "unknown" race/ethnicity or sex of a labor contractor employee is no longer permitted. According to the CRD, employee self-identification is the preferred method of identifying race/ethnicity and sex information; however, if an employee declines to state their sex or voluntarily provide their race/ethnicity, the employer should report using current employment records, other reliable records or information, or observer perception. When a reporting entity must rely on observer perception, the CRD encourages specifying this through clarifying remarks (e.g., "The race/ethnicity of [number] individuals in this grouping is being reported based on observer perception.").
- **Filing deadline**: Reports are due by May 8, 2024. Unlike last year's reporting period, it does not appear that the CRD will be accepting or granting any pay reporting submission deferral requests.

Employers are well-advised to use this year's reporting templates and consult the updated User Guide available here. California employers also may wish to consult the CRD's Updated FAQs and/or consult with counsel in advance of the May 8, 2024 deadline.

View original.

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