

## It's That Time Of Year Again – California Pay Data Reporting Is Due May 14, 2025!

## California Employment Law Update on March 13, 2025

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

Although this year's reporting requirements are mostly the same as last year's (previously covered <a href="here">here</a>), CRD has revised race and ethnicity categories as follows:

- Adding a new race and ethnicity category—Middle Eastern or North African (MENA)—to California's pay data reporting.
- Removing "Other" from the "Native Hawaiian or Other Pacific Islander" category name.
- Using "Multiracial and/or Multiethnic" terminology rather than "Two or More Races."

Other changes from prior years remain in effect, such as:

- Data fields: Employers must report whether employees worked remotely during the Snapshot Period.
- Race, ethnicity, sex: Reporting "unknown" race/ethnicity or sex of a labor contractor employee is no longer permitted.
- Labor contractor worker reporting: In addition to the Payroll Employee Report that all private employers with 100 or more employees (with at least one employee based in California) must file, adding the requirement that a private employer with 100 or more workers hired through labor contractors in the prior calendar year (with at least one worker based in California) must file a separate Labor Contractor Employee Report that covers workers hired through labor contractors in the prior calendar year.
- Mean and median rates: Requiring employers to calculate and report the mean and median hourly rate of their payroll employees and/or labor contractor employees, by establishment, pay band, job category, race/ethnicity, and sex.

Increased penalties for employers who fail to file: Permitting CRD to obtain a
monetary penalty against (1) employers (\$100 per employee against an employer
who fails to file a required report, and \$200 per employee for a subsequent failure),
and (2) against any labor contractor that fails to supply necessary data to a client
employer.

For further information and guidance related to the pay data reporting requirements, California employers are well-advised to consult the CRD's updated (e.g., this year's reporting templates and the updated User Guide available <a href="here">here</a>) and new (e.g., the Handbook) resources. California employers also may wish to consult with counsel in advance of the May 14, 2025 deadline.

View original.

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