





EY Payroll NewsFlash

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California law changes civil rights pay data reporting requirements; pay data reports now due the second Wednesday of May

On September 27, 2022, California Governor Gavin Newsom signed into law [Senate Bill 1162](#), which requires, as of January 1, 2023, pay data reporting for the calendar year by the second Wednesday of May 2023 (May 10, 2023) and each second Wednesday of May thereafter by private employers with 100 or more employees. Under prior law, the report was due by March 31 of each year and was submitted only if the employer was required to file an annual Employer Information Report (EEO-1).

The law makes other changes to the pay data reporting requirements as explained below.

Reporting of employees hired through labor contractors

Senate Bill 1162 adds the requirement that private employers that hired 100 or more employees through labor contractors within the prior calendar year submit a separate pay data report covering those employees. Private employers must include on the pay data report the ownership names of all labor contractors used to supply employees. Labor contractors must supply all necessary pay data to the private employer.

On April 18, 2023, the California Civil Rights Department (CRD) began accepting “enforcement deferral requests” from employers for their Labor Contractor Employee Reports due May 10, 2023. If the deferral request is granted, the CRD will defer, through July 10, 2023, an order for the employer to file its Labor Contractor Employee Report. Requests for deferral will only be considered by employers registered in the [pay data reporting portal](#), and CRD will only accept requests through this portal.

Multiple establishment reports

Prior law required that employers with multiple establishments submit both a pay data report for each establishment and a consolidated report for all employers. Under Senate Bill 1162, effective in 2023, multi-establishment employers only have to file the consolidated report.

Civil penalties

Senate Bill 1162 adds civil penalties for employers that fail to submit the required pay data report. Specifically, effective January 1, 2023, a court may impose a civil penalty of up to \$100 per employee for any employer that fails to file the required report and up to \$200 per employee for any employer for a subsequent failure to file the required report.

If the employer is unable to submit a complete and accurate report because a labor contractor has not provided the pay data as required, the court may apportion an appropriate amount of penalties to any labor contractor that failed to provide the pay data to the employer.

For more information, see the CDR's [frequently asked questions](#).

Contact us for more information

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