

## **LEGISLATIVE DIGEST**

[Administrative Code - Requiring City Contractors to Submit Equal Pay Report; Creating Equal Pay Advisory Board]

**Ordinance amending the Administrative Code to require certain City contractors and subcontractors with 20 or more employees to submit an Equal Pay Report regarding compensation paid to employees; and establishing the Equal Pay Advisory Board to analyze and recommend the best methods of data collection that will identify wage gaps, and setting forth the membership and duties of the Advisory Board.**

### Existing Law

There is no law that requires City contractors or subcontractors to affirmatively provide the City with a report that provides information on its employees' compensation identified by sex and race.

### Amendments to Current Law

This legislation will require City contractors and subcontractors to annually submit an Equal Pay Report that provides information on compensation paid to employees identified by sex, race, sex and race, and data points the Human Rights Commission has adopted by regulation. Relevant data points may include but are not limited to employees' education, years of work experience, specialized skills, and any other factor that would aid in the analysis of wage disparities. The Human Rights Commission may use the information contained in the Equal Pay Report as an investigative tool to investigate wage disparities based on race and gender.

This legislation also creates the Equal Pay Advisory Board for the purposes of analyzing and recommending the best method or methods of data collection that will identify wage gaps between men and women of the same or different races and among members of different races. The Advisory Board will also analyze and recommend data points that will aid in the analysis of wage disparities. The Advisory Board shall make its recommendations to the Human Rights Commission.

On October 23, 2014, the Neighborhood Services and Safety Committee amended this legislation to 1) clarify that the Equal Pay Report is an annual submittal for all contractors and subcontractors; and 2) add qualifications to the Equal Pay Advisory Board members.

On October 28, 2014, the Board of Supervisors amended this legislation to protect from disclosure any information contained in the Equal Pay Report that constitutes proprietary financial data or trade secret and to clarify the qualifications for Seat 7 on the Advisory Board.

On November 25, 2014, the Board of Supervisors amended this legislation to protect from disclosure any information that constitutes an individual's right to privacy under the U.S. or California Constitution. In addition, the Board of Supervisors amended the legislation to push back the date for the submission of the equal pay report to January 31, 2016. Lastly, the Advisory Board is required to make its report and recommendations not only to the Human Rights Commission but to the Board of Supervisors.

### Background Information

Currently, City contractors and subcontracts are prohibited from discriminating against any employee, City and County employee working with such contractor or subcontractor, or applicant for employment with such contractor subcontractor on the basis of fact or perception of that person's race, color, religion, ancestry, national origin, sex, and other protected categories. For purposes of investigation and to ascertain compliance with the City's nondiscrimination laws, City contractors and subcontractors must permit access to its records. This legislation adds another tool to the menu of options the Human Rights Commission may use to investigate allegations of wage disparities among gender and race.

n:\legana\as2014\1500163\00974029.doc