December 22, 2022

## DEANS, EXECUTIVE ASSOCIATE DEANS, ASSOCIATE DEANS, ASSISTANT DEANS, DEPARTMENT CHAIRS, AND ACADEMIC PERSONNEL ANALYSTS

Re: Pay Scales and Salary Information in Academic Recruitment postings

Dear Colleagues,

At our Deans Fall 2022 Update news was shared that changes would be forthcoming regarding academic recruitments and pay scale disclosure. On January 1, 2018, California state legislation AB 168 took effect that prohibits employers from inquiring about or relying upon salary history as a factor in determining salary or whether to offer employment. As of January 1, 2023, AB 168 and SB 1162 add and amend <u>Labor Code</u> <u>Section 432.3</u>.

## What is AB 168?

AB 168 prohibits employers in California, including state and local government employers and the Legislature, from inquiring about or relying upon salary history as a factor in determining salary or whether to offer employment.

The intent of this statute is to prevent the perpetuation of pay inequities that arise when employment offers are based on previous pay that may have been based on discriminatory decisions. The statute seeks to narrow pay gaps due to gender, race, or ethnicity by focusing the prospective employer on the current competencies of the applicant and not on previous work as reflected in past pay.

The guidance provided here is designed for positions covered by academic personnel policies. In these guidelines, the term "University" is used to denote "prospective employer."

## What is SB 1162?

**Effective January 1, 2023**, California Senate Bill 1162 requires employers to disclose pay scales on all job postings and to current employees upon request.

The requirements include the following:

- Pay scales must be included in all job postings and information must be provided to all third parties who are engaged to assist with job postings
- A pay scale must also be provided for a current employee's position at the employee's request.
- Employers must maintain records of job titles and wage rate histories for the duration of an employee's employment and three years after termination of employment.

## Why is the University complying with AB 168 and SB 1162? What is the purpose of these laws?

These laws expand pay equity and pay transparency by requiring California employers to disclose pay scales and prohibit the employer from seeking or relying on applicants' salary history information, including compensation and benefits, in the recruitment process. These laws further safeguard the right of all persons to obtain and hold employment without discrimination based on specified characteristics or status, and they are intended to address inequity in pay practices based on gender, race, color, religion, sex, national origin, disability, age, protected veteran status, gender identity, or sexual orientation.

Based on its legal standing and constitutional status, the University may be exempt from these laws. However, given the University's institutional values and commitment to diversity and ensuring equal pay, the University has aligned policies and practices with the provisions in these new laws.

The attached documents provide important information regarding guidelines for the application of AB 168 and SB 1162 as well as instructions for implementation of SB 1162 for academic job postings in UC Recruit and print ads with an open date of January 1, 2023 or later.

Departments should consult with their dean's office, especially if there are any questions about how to determine an appropriate salary level for a new job posting or a new recruit.

This memo along with the attachments can be located under the "Recruitment Resources" section of the Academic Affairs "Recruitments and Removals" web page, posted here.

Please contact Co-Director Kim Poole (kcpoole@ucdavis.edu) if you have questions related to this guidance.

Sincerely,

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