

Department of Fair Employment & Housing

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DFEH Sues Tesla, Inc. for Race Discrimination and Harassment

Black workers subjected to racial slurs and discriminated against in job assignments, discipline, pay, and promotion, among other violations

Sacramento – California's civil rights agency, the Department of Fair Employment and Housing (DFEH), announced today that it <u>filed a civil action</u> in Alameda Superior Court against Tesla, Inc., for violations of the Fair Employment and Housing Act and the California Equal Pay Act. The lawsuit alleges that Tesla discriminated against Black workers in California, including segregating them to the lowest levels of the workforce across the state, including the contracted workforce. Black workers are severely underrepresented in the ranks of executives, senior officials, and managers at Tesla.

Founded in 2003 and formerly headquartered in Palo Alto, California, Tesla employs over 36,200 direct workers in California, in addition to thousands of contract workers.

"After receiving hundreds of complaints from workers and a nearly three-year investigation, DFEH found evidence that Tesla operates a racially segregated workplace where Black workers are subjected to racial slurs and discriminated against in job assignments, discipline, pay, and promotion," said DFEH Director Kevin Kish. "DFEH will continue to take steps to keep workplaces free of harassment and racism."

In addition to race-based segregation in the terms and conditions of employment, DFEH alleges that Tesla has turned a blind eye to years of complaints from Black workers protesting the near-constant use of racial slurs in the workplace and the presence of racist writing and graffiti in common areas of the workplace, including swastikas and other hate symbols.

The case is captioned Department of Fair Employment and Housing v. Tesla, Inc. et al., Case No. 22CV006830.