

California Lawmakers Want Narrower Pay Ranges in Job Postings

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- Bill would bar job ads with broad potential pay ranges
- Legislators eye additional updates to state Equal Pay Act

California employers would need to provide specific salary ranges when advertising jobs, rather than wide estimates, under legislation filed in the state Senate.

The bill ([SB 642](#)) would update the state's pay transparency law, which in 2023 required employers to include pay ranges in job postings.

While the law and similar state measures have made pay ranges more commonplace in job listings, some employers have responded by posting broad ranges with top rates several times above the salary floor.

The new legislation, authored by state Sen. Monique Limón (D), would bar the top and bottom salaries for an advertised job from exceeding 10% of the mean pay rate within the range. An employer could advertise a job as paying between \$45,000 and \$55,000 a year, for example, but not list a salary range as extending from \$40,000 to \$90,000.

The measure is part of a broader retooling of the state's Equal Pay Act, the 2015 law that prohibits employers from paying workers less than colleagues of a different sex for substantially similar work. Limón's measure also would give workers more time to bring lawsuits under the law. Backers say the updates will strengthen the measure and align it with other labor laws in California.

"While progress has been made, the gender pay gap continues to cost women thousands of dollars a year. SB 642 modernizes the law, makes reforms to strengthen our equal pay laws in California, and ensures all workers get a fair wage," Limón said in a statement.

Wide Ranges

A [growing](#) number of states enacted laws in recent years requiring employers to include salary ranges in job postings, with Illinois and Minnesota implementing pay transparency laws earlier this year.

Massachusetts, New Jersey, and Vermont will roll out similar requirements in the coming months.

While many states require employers to list pay ranges that are a “good faith” representation of the possible salary, Limón’s measure would enshrine a specific formula in law that backers contend would curb the advertisement of unrealistic ranges that appear to be a performative effort to comply.

That would include the state legislature. For example, the state Assembly is advertising several jobs with monthly pay ranging from \$5,417 to \$7,854—a range outside of what would be allowed under the new legislation.

“There are a lot of employers who engaging in good faith efforts to come up with reasonable pay ranges they reasonably believe apply to the position for which they are hiring. There have been examples of some employers posting pay ranges that are on their face not reasonable,” Jessica Ramey Stender, policy director and deputy legal director at the Equal Rights Advocates, said in an interview. The organization, which advocates on gender issues in workplaces and schools, backs the bill.

California hasn’t issued any citations under the pay transparency law, though there are at least 57 open claims, the state Department of Industrial Relations told Bloomberg Government.

Defining ‘Wages’

The measure would update the Equal Pay Act in several other ways, such as by expanding the definition of wages under the law to expressly include stock options and other forms of compensation. The change follows a 2024 state appeals court opinion that found “stock options are not wages under the Labor Code.”

Workers would also get more time to bring cases under the law—up to three years after a violation, instead of two years. In cases of willful violations, plaintiffs would have up to four years, instead of three years.

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