SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2025-2026 Regular Session

SB 642 (Limón) Version: April 10, 2025 Hearing Date: April 29, 2025 Fiscal: Yes Urgency: No ME

SUBJECT

Employment: payment of wages

DIGEST

This bill revises the California Equal Pay Act.

EXECUTIVE SUMMARY

Because of occupational segregation and disparities in pay, it is well documented that white men regularly receive greater compensation than their counterparts who are not white men. Recent California initiatives have sought to reduce that pay gap by increasing transparency around employee pay and requiring equal pay for equal work. Despite California's Equal Pay Act (Labor Code § 1197.5) and private employer pay data reporting law (Gov. Code § 12999), data continues to demonstrate persistent inequities in income based on gender, including gender identity, race, and, ethnicity in California.¹ This bill makes changes to the California Equal Pay Act in an effort to shrink the pay gap.

The bill is sponsored by the California Commission on the Status of Women and Girls, the California Employment Lawyers Association, and Equal Rights Advocates. The bill is supported by the California Nurses Association/National Nurses United and other organizations that support strengthening the Equal Pay Act. It is opposed by a coalition of business groups that include the California Chamber of Commerce. This bill was heard in the Senate Committee on Labor, Public Employment & Retirement and passed the Committee on a vote of 4 to 1.

¹ Kelly Lu, "New pay data shows ongoing gender, racial pay gaps in California," Davis Vanguard (April 5, 2025), <u>https://davisvanguard.org/2025/04/new-pay-data-shows-ongoing-gender-racial-pay-gaps-in-california/</u>.

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PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Imposes varying requirements upon employers to share the pay scale for a position with an applicant or in a job posting, as provided. (Labor Code § 432.3 (a)-(m).)
- 2) Defines "pay scale" as the salary or hourly wage range that the employer reasonably expects to pay for the position. (Labor Code § 432.3 (m)(1).)
- 3) Prohibits an employer from paying its employees at wage rates less than the rates paid to employees of the "opposite sex" or another race or ethnicity for substantially similar work, except under specified circumstances. (Labor Code § 1197.5 (a) & (b).)
- 4) Requires a civil action to recover wages for a violation of those provisions to be commenced no later than 2 years after the cause of action occurs or, if the cause of action arises out of a willful violation, no later than 3 years after the cause of action occurs. (Labor Code § 1197.5 (i).)
- 5) Provides that "sex" includes, but is not limited to: pregnancy or medical conditions related to pregnancy; childbirth or medical conditions related to childbirth; and breastfeeding or medical conditions related to breastfeeding. (Gov. Code § 12926.)
- 6) Provides that "sex" also includes, but is not limited to, a person's gender. "Gender" is defined to mean sex, and includes a person's gender identity and gender expression. "Gender expression" means a person's gender-related appearance and behavior whether or not stereotypically associated with the person's assigned sex at birth. (Gov. Code § 12926.)

This bill:

- 1) Revises the definition of "pay scale" to mean a good faith estimate of the salary or hourly wage range that the employer reasonably expects to pay for the position.
- 2) Prohibits an employer from paying employees at wage rates less than the rates paid to employees of "another sex" instead of the "opposite sex."
- 3) Requires a civil action to recover wages to be commenced no later than 3 years after the cause of action occurs or 4 years if the cause of action arises out of a willful violation.
- 4) Specifies that a cause of action occurs when: a discriminatory compensation decision or practice is adopted; when an individual becomes subject to the decision or practice; or when an individual is affected by the application of the decision or practice.

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- 5) Provides that a series of discriminatory wage payments shall be actionable as a continuing violation if the discriminatory wage payments arise in whole or in part from an ongoing discriminatory compensation decision or practice.
- 6) Defines "wages," and "wage rates," for purposes of the equal pay law, to include all forms of pay, including, but not limited to, salary, overtime pay, bonuses, stock, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits.
- 7) Defines "sex" for purposes of the equal pay law to have the same meaning as defined in Government Code section 12926. Under Government Code section 12926 "sex" includes, but is not limited to: pregnancy or medical conditions related to pregnancy; childbirth or medical conditions related to childbirth; and breastfeeding or medical conditions related to breastfeeding. Under Government Code section 12926 "sex" also includes, but is not limited to, a person's gender. "Gender" is defined to mean sex, and includes a person's gender identity and gender expression. "Gender expression" means a person's gender-related appearance and behavior whether or not stereotypically associated with the person's assigned sex at birth.

COMMENTS

1. Statements in support of the bill

According to the author:

This year marks the 10th anniversary of the passage of the California Fair Pay Act - a historic, bipartisan measure to address gaps in the Equal Pay Act. While progress has been made, the promise of equal pay remains unfulfilled and the gender pay gap continues to cost women thousands of dollars a year. SB 642 offers a critical step forward by modernizing and strengthening our Equal Pay Act, ensuring workers have the right to a fair wage. Strengthening protections in California is crucial given uncertainty of pay equity and pay transparency laws at the federal level.

According to the California Employment Lawyers Association, Equal Rights Advocates, and the California Commission on the Status of Women and Girls, sponsors of the bill:

This year marks the 10th anniversary of the passage of the California Fair Pay Act - a historic, bipartisan measure that addressed gaping loopholes in the state's Equal Pay Act. Ten years later, while progress has been made, the gender pay gap continues to persist, with women of color experiencing the widest gaps.

In fact, the wage gap widened in 2023 from 2022, the first time this has happened since 2003. For women in the United States, the wage gap adds up to

an individual earnings difference of \$14,170 over the course of a year. On average, women nationwide lose a combined total of almost \$1.7 trillion every year due to the wage gap. This not only affects women's ability to cover basic needs such as rent, groceries, and day care, but it also affects women's ability to save for retirement. Research suggests that women have approximately 30 percent lower income in retirement than men and women receive Social Security benefits that are, on average, 80 percent of those men receive.

In California, the wage gap persists at 79 cents to the dollar for women overall in the state, with much larger gaps for women of color. Black women in California are paid 56 cents for every dollar earned by their white, non-Hispanic male counterparts, far below the national average for Black women of 66 cents. Native women in California earn just 42 cents to the dollar, and at 41 cents, California Latinas face the worst wage gap in the country. It is imperative that we continue to proactively address gaps and loopholes in the law to better prevent and address discriminatory pay based on sex, race and/or ethnicity.

2. California Equal Pay Act

The California Equal Pay Act was first enacted in 1949 to require that men and women be paid equal pay for equal work. It is codified in Labor Code section 1197.5, which prohibits an employer from paying its employees at wage rates less than those of other employees of the opposite sex, or another race or ethnicity who is doing substantially similar work, unless the employer can demonstrate certain conditions are met. (Lab. Code § 1197.5.) Those conditions are: that the wage differential was based upon a seniority system, a merit system, a system that measures earnings by quantity or quality of production, or upon a bona fide factor other than the prohibited discrimination; that each factor relied upon is applied reasonably; that one or more other factors relied upon accounted for the entire wage differential; and that the prior salary of the worker did not justify the compensation disparity. (Lab. Code § 1197.5(a)-(b).) The Equal Pay Act allows the Labor Commissioner to bring an action to prosecute a violation of its provisions requiring equal pay, and also allows an aggrieved worker under its provisions to file a complaint with the Labor Commissioner or bring an action in court. (Lab. Code § 1197.5(f)-(h).) It also prohibits an employer from firing, discriminating against, or otherwise retaliating against an employee for asserting their rights to equal pay. (Lab. Code § 1197.5(k).) Despite this law and the decades that have passed since it was enacted, data continues to demonstrate persistent inequities in income for women and people of color in California.²

² Kelly Lu, "New pay data shows ongoing gender, racial pay gaps in California," Davis Vanguard (April 5, 2025), <u>https://davisvanguard.org/2025/04/new-pay-data-shows-ongoing-gender-racial-pay-gaps-in-california/</u>.

3. How SB 642 revises the Equal Pay Act

According to the California Nurses Association/National Nurses United, supporters of the bill:

Nearly a decade after the passage of the California Fair Pay Act, significant wage disparities remain – especially for women of color, who continue to face the widest gaps. Despite existing protections, outdated statutory language and loopholes limit the law's ability to fully address discriminatory pay practices. In particular, the current binary definition of sex, lack of clarity around equity compensation, and a shortened statute of limitations all hinder workers' ability to achieve equal pay for equal work.

SB 642 updates the Equal Pay Act by replacing the outdated term "opposite sex" with "another sex," ensuring the law is inclusive and consistent with other anti-discrimination protections. It clarifies that "wages" include equity compensation, such as stock options, which are often used to conceal disparities in total compensation. The bill also extends the statute of limitations to three years (or four for willful violations) and applies the "continuing violations" doctrine, so workers can recover all lost wages from ongoing discrimination. Additionally, it places reasonable limits on posted salary ranges, preventing employers from undermining pay transparency with overly broad figures.

a. Updates the California Equal Pay Act by prohibiting an employer from paying employees at wage rates less than the rates paid to employees of "another sex" instead of the "opposite sex," and defines "sex" for purposes of the Equal Pay Act to have the same meaning as defined in Government Code section 12926

According to the sponsors of the bill:

The California Equal Pay Act prohibits an employer from paying any of its employees at wage rates that are less than what it pays employees of "the opposite sex" for substantially similar work. This binary language does not reflect the realities of our workforce and therefore does not adequately address some forms of sex-based pay discrimination. Research shows that non-binary individuals earn 70 cents for every dollar earned by the average worker in the United States and are concentrated in the lowest-paid jobs.

SB 642 will replace "the *opposite* sex" with "*another* sex," making it consistent with the parallel race provision in the Equal Pay Act, which prohibits employers from paying any of its employees at wage rates that are less than what it pays employees of "*another* race" (emphasis added). The bill will also clarify that the definition of "sex" under the Equal Pay Act is the same as the definition of "sex" under the Fair Employment and Housing Act. For example,

this definition includes a person's gender identity and gender expression (*See* Section 12926(r) of the Government Code).

Opposition has not raised concerns with this provision of the bill.

b. Requires a civil action to recover wages to be commenced no later than 3 years after the cause of action occurs, instead of 2 years as under current law; and to be commenced no later than 4 years if the cause of action arises out of a willful violation, instead of 3 years as under current law

According to the sponsors of the bill:

Historically, companies have tried to keep worker compensation secret. Because of this secrecy, workers do not become aware of equal pay violations unless and until their coworkers voluntarily disclose their compensation information that is otherwise kept a secret. When workers discover they are not paid equally to their coworkers of a different sex, race, or ethnicity, it is often too late to seek unpaid wages for many years of the equal pay violations.

Generally, California wage laws under the Labor Code permit workers to file claims for unpaid wages, including for minimum wage and overtime wage violations, for a period of *three years* after the wage violations occurred. *See* Code of Civil Procedure § 338. Yet the Labor Code only gives women or workers of color two years after the equal pay wage violations occurred, unless they prove the violations were "willful". *See* Labor Code § 1197.5(i). Furthermore, California's anti-discrimination laws also provide for a three-year statute of limitations. *See* Gov. Code § 12960.

This bill will extend the statute of limitations under the Equal Pay Act to three years, aligning the statute with other wage claims under the Labor code and our anti-discrimination laws, and to four years for willful violations.

In response, a coalition of opponents which includes the California Chamber of Commerce asserts:

We do not object to increasing the statute of limitations for Equal Pay Act claims from two to three years so that it is in line with discrimination claims under the Fair Employment and Housing Act (FEHA). An employee with an Equal Pay Act claim would also likely bring a discrimination claim and it therefore makes sense that the two statutes of limitations would be consistent. However, we therefore believe there is no need to continue to have a "willful" statute of limitations that is longer than the discrimination claim. If an employee proves a claim for discrimination under FEHA, that must include, at least to some degree, that the discriminatory treatment was intentional. It therefore makes sense that the same statute of limitations would apply to both claims: three years. Further, practically speaking, every claim is going to allege that the conduct was willful in order to conduct discovery on that issue. Therefore, all claims will trigger the proposed longer four-year statute of limitations. Effectively then, the impact of SB 642 would be to give Equal Pay Act claims a four-year statute of limitations. We believe these claims and FEHA discrimination claims should be treated the same with a three-year statute of limitations.

The author has agreed to amend the bill to address this concern of opponents. This amendment returns willful claims to the current statute of limitations of three years.

Amendment

Amend 1195.5 (i) (1) as follows:

(i) (1) A civil action to recover wages under subdivision (a) or (b) may be commenced no later than three years after the cause of action occurs, except that a cause of action arising out of a willful violation may be commenced no later than four years after the cause of action occurs.

c. Specifies that a cause of action occurs when: a discriminatory compensation decision or practice is adopted; when an individual becomes subject to the decision or practice; or when an individual is affected by the application of the decision or practice

According to the sponsors of the bill:

In the class action matter of *McCracken et al v Riot Games et al*, class representatives did not discover they were paid significantly less than their male peers performing equal work until a group of employees decided to administer a survey of employees willing to disclose their titles, compensation, and gender. It was through this survey and accompanying communications that many female employees discovered the violations and ultimately filed suit. Although the violations spanned many years, the company used the two-year statute of limitations to argue that their female employees' recovery was limited to two years from their filing of the lawsuit. The company therefore used their secrecy in compensation practices and the employees' resulting ignorance of the equal pay violations to try to avoid full accountability despite that other California wage violations in the Labor Code have a three-year statute of limitations period.

Opponents do not raise concerns with these provisions of the bill outside of how they intersect with the continuing violations provision described below.

d. Provides that a series of discriminatory wage payments shall be actionable as a continuing violation if the discriminatory wage payments arise in whole or in part from an ongoing discriminatory compensation decision or practice

According to the sponsors of the bill:

This bill will also apply the "continuing violations" doctrine to the Equal Pay Act, allowing workers to recover *all* of the pay that they have lost because of their employer's ongoing discriminatory compensation decision or practice. Generally, the continuing violations doctrine allows workers to seek recovery for unlawful conduct that takes place outside the statute of limitations, so long as that conduct is sufficiently connected to conduct that took place within the limitations period. *See Richards v. CH2M Hill, Inc.* (2001) 26 Cal. 4th 798, 798. This provision will ensure workers can recover all of the pay that they have lost because of their employer's ongoing discriminatory compensation decision or practice.

In response, the California Chamber of Commerce asserts:

Our primary concern with SB 642 is proposed (i)(3). That language would effectively eliminate the statute of limitations. The proposed language provides that "a series of discriminatory wage payments shall be actionable as a continuing violation if the discriminatory wage payments arise in whole or in part from an ongoing discriminatory compensation decision or practice." In practice, there would be no need to bring a claim in a timely manner. For example, where an employee claims they were hired at a lower salary than a colleague, the claim would never be time barred. Each new paycheck under proposed section (i)(2) would be the new beginning of a statute of limitations period *and the claim would reach back to the time of hiring when the decision at issue was made.* In this example, the employee could file one, five, or ten years later and the impact would be the same- they could recover wages going back to the date of hire. Statute of limitations are critical both for ensuring memories and evidence are fresh and to ensure illegal behavior is promptly reported and vanquished.

The author has agreed to continue working with opposition on amendments to the continuing violation provision as the bill moves through the legislative process.

e. Defines "wages," and "wage rates," for purposes of the equal pay law, to include all forms of pay, including, but not limited to, salary, overtime pay, bonuses, stock, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits

According to the sponsors of the bill:

Recently in *Shah v. Skillz, Inc.* (2024) 101 Cal.App.5th 285, 314 the First District Court of Appeal held that stock options do not constitute "wages" under the Labor Code. The court reasoned that "stock options are not wages because they

'are not "amounts." They are not money at all. They are contractual rights to buy shares of stock.'" *Id.*, quoting *International Business Machines Corp. V. Bajorek* (9th Cir. 1999) 191 F.3d 1033, 1039. In doing so, the *Shah* court rejected as dicta the California supreme court's statement in *Schachter v. Citigroup, Inc.* (2009) 47 Cal.4th 610, 614 that restricted stock are wages. The court of appeal noted, "While we recognize that companies, especially startups like Skillz, often award stock options to incentivize employees to join and stay with the company for less cash pay, this does not make them 'wages' under the Labor Code because those wages must be fixed or ascertainable 'amounts.'" *Shah*, 101 Cal.App.5th at 315.

Under the federal Equal Pay Act, wages are more broadly defined to include "all payments made to [or on behalf of] an employee as remuneration for employment. The term includes "all forms of compensation irrespective of the time of payment, whether paid periodically or deferred until a later date, and whether called wages, salary, profit sharing, expense account, monthly minimum, bonus, uniform cleaning allowance, hotel accommodations, use of company car, gasoline allowance, or some other name. Fringe benefits are deemed to be remuneration for employment." 29 CFR § 1620.10. "Wage rate" is defined as "the standard or measure by which an employee's wage is determined and is considered to encompass all rates of wages whether calculated on a time, commission, piece, job incentive, profit sharing, bonus, or other basis." 29 CFR § 1620.12. The EEOC also considers wages to include stock options.

In the class action matter of *McCracken et al v Riot Games et al*, the named plaintiffs (five of seven of whom are women of color) and the California Civil Rights Department discovered and exposed that the bulk of the sex-based equal pay violations was through equity compensation, including stock options, rather than base wages. Equity is a common form of compensation that may exponentially increase sex-based and race-based wage disparities. Companies can and frequently do mask equal pay violations by compensating male and non-minority employees significantly more than female and minority employees through equity, including through stock options, while keeping their base wages similar. This bill will ensure that companies do not award stock options as a work around to their obligations under the Equal Pay Act.

In response, opponents of the bill, including the California Chamber of Commerce write:

We request that the proposed definition of "wages" and "wage rates" be modified so that it only applies to items that are truly "wages," such as hourly rates, salary, or overtime pay. Labor Code Section 200 defines wages as "all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation." For example, a "wage" under the California Labor Code does not include items like reimbursement for travel expenses or stock options. *See* Labor Code Section 2802 (governs when expenses must be reimbursed); *Shah v. Skillz Inc.*, 101 Cal. App. 5th 285 (2024) (stock options are not wages). If an employee believed they were not adequately compensated for reimbursements, they would pursue that as a failure to reimburse claim under Labor Code Section 2802. Classifying items here as "wages" when they are not could have broader implications for other obligations under the Labor Code as well as the Tax Code that are specific only to wages.

The intent of the equal pay law in California was to shrink the pay gap between workers of one sex and those of another and to shrink the pay gap between workers of one race and ethnicity and those of another. If wages and wage rates do not statutorily include all forms of pay into the calculus then employers can skirt the intent of the equal pay law and continue widening the pay gap if other forms of pay are not included such as salary, overtime pay, bonuses, stock, stock options, profit sharing and bonus plans, life insurance, vacation and holiday pay, cleaning or gasoline allowances, hotel accommodations, reimbursement for travel expenses, and benefits. This change to the equal pay law in SB 642 arguably brings the law into alliance with what was always intended and will indeed serve to shrink the wage gap.

f. Updates the California Equal Pay Act by revising the definition of "pay scale" to clarify that a "good faith estimate" of the salary or hourly wage range that the employer reasonably expects to pay for the position is required

According to the sponsors of the bill:

In 2022, the Legislature passed SB 1162 (Limón), which requires companies with 15 or more employees to include the pay scale for a position in any job posting. The legislation did not provide any outer limits on the pay scale that must be provided, allowing companies to post meaningless pay scales and still be in compliance. For example, one job posting gave a salary range of \$65,000 USD to \$400,000 USD annually - a \$335,000 range.

The author seeks to address the employer practice of posting wide salary ranges in the required pay scale by requiring that the employer make a "good faith estimate of" the salary or hourly wage range that the employer reasonably expects to pay for the position. The equal pay act currently specifies the employer pay scale to mean the salary or hourly wage range that the employer *reasonably* expects to pay for the position. Committee staff notes that the employer's reasonable expectation should always be in "good faith" and that adding the words "good faith" should not in any way burden the employer. An employer should not be working in bad faith when ascertaining what they reasonably expect to pay. Because the author and sponsors have seen salary ranges with a spread of hundreds of thousands of dollars it is arguably reasonable to specify in

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statute that the employer must make a good faith estimate. The Committee may wish to ask the author if salary ranges that span hundreds of thousands of dollars have been litigated under the provisions of the Equal Pay Act. Opposition has not raised concerns with this provision of the bill.

SUPPORT

California Commission on the Status of Women and Girls (sponsor) California Employment Lawyers Association (sponsor) Equal Rights Advocates (sponsor) AAUW California Alliance of Californians for Community Empowerment Action Asian Americans Advancing Justice Southern California California National Organization for Women California Nurses Association/National Nurses United California Rural Legal Assistance Foundation California Women Lawyers Child Care Law Center Consumer Attorneys of California Courage California **Disability Rights California** End Child Poverty California Equality California Friends Committee on Legislation Fund Her Golden State Opportunity Indivisible CA: StateStrong, a coalition of over 80 Indivisible groups Initiate Justice Mujeres Unidas y Activas National Council of Jewish Women California National Employment Law Project National Women's Political Caucus of California Parent Voices California **TechEquity Action** VALOR Women's Foundation California

OPPOSITION

California Association of Winegrape Growers California Chamber of Commerce California Farm Bureau California Retailers Association Civil Justice Association of California Housing Contractors of California National Federation of Independent Business

RELATED LEGISLATION

Pending Legislation:

SB 310 (Wiener, 2025) permits an employee to recover a statutory penalty for their employer's failure to pay their wages, as specified, through an independent civil action. SB 310 is currently pending before the Senate Appropriations Committee.

SB 464 (Smallwood-Cuevas, 2025) amends the pay data reporting law for specified private employers at Government Code 12999 and requires public employers, as defined, to submit a pay data report to the CRD for the prior calendar year, as specified. SB 464 is currently pending before this Committee and will be heard on the same day as SB 642.

Prior Legislation:

SB 1162 (Limón, Ch. 559, Stats. 2022) required employers of 100 or more workers hired through labor contractors to provide the Department of Fair Employment and Housing (DFEH) certain specified information, including pay data, about their workers. This bill also requires employers to provide the pay scale for a position to an applicant for employment and include it in job postings

AB 1192 (Kalra, 2021) would have required the report and publication of a series of metrics for large California employers about the nature of their workforce, pay, benefits, and conditions including, among others, disparities in pay based on race and gender. AB 1192 died on the Assembly inactive file.

SB 973 (Jackson, Ch. 363, Stats. 2020) required California employers with 100 or more employees to compile and submit pay equity data to the DFEH annually and directed DFEH to publish a yearly report on statewide pay equity based on this data in the aggregate.

SB 171 (Jackson, 2019) was substantially similar to SB 973. SB 171 died in the Assembly Appropriations Committee.

SB 1284 (Jackson, 2018) was substantially similar to SB 973. SB 1284 died in the Assembly Appropriations Committee.

AB 2282 (Eggman, Ch. 127, Stats. 2018) clarified that, while prior salary information cannot justify disparities in compensation, an employer may make a compensation decision based on an applicant's current salary as long as any wage differential resulting from that compensation decision is justified by: (a) a seniority system; (b) a merit system; (c) a system that measures earnings by quantity or quality of production; or (d) a bona fide factor other than sex, such as education, training, or experience.

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AB 46 (Cooper, Ch. 776, Stats. 2017) clarified that the California Equal Pay Act applies to public as well as private sector employers.

AB 168 (Eggman, Ch. 688, Stats. 2017) prohibited an employer from seeking or relying on the salary history information of an applicant as a factor in determining whether to offer an applicant employment or what salary to offer an applicant. The bill also required an employer, upon reasonable request, to provide the pay scale for a position to an applicant.

AB 1209 (Gonzalez-Fletcher, 2017) would have required employers with 500 or more employees in California to provide the Secretary of State with specific information regarding gender wage differentials for exempt employees and board members every two years as part of their corporate filings. In his message vetoing AB 1209, then Governor Brown wrote that "ambiguous" language in the bill "could be exploited to encourage more litigation than pay equity." In addition, he wrote: "[w]hile transparency is often the first step to addressing an identified problem, it is unclear that the bill... will provide data that will meaningfully contribute to efforts to close the gender wage gap."

SB 1063 (Hall, Ch. 866, Stats. 2016) expanded the prohibitions in the California Equal Pay Act regarding gender to include discrimination based on race or ethnicity.

AB 1676 (Campos, Ch. 856, Stats. 2016) required that prior salary shall not, by itself, justify any disparity in compensation.

SB 358 (Jackson, Ch. 546, Stats. 2015) amended the Equal Pay Act to require employers to justify any gender pay differential with a legitimate non-sex-based factor. The bill also prohibited retaliation against employees for disclosing or discussing their wages with co-workers.

AB 160 (Grunsky, Ch. 804, Stats. 1949) enacted California's original Equal Pay Act.

PRIOR VOTES:

Senate Labor, Public Employment & Retirement Committee (Ayes 4, Noes 1)