



March 19, 2021

The Honorable Randy Voepel
 California State Assembly
 State Capitol, Room 4009
 Sacramento, CA 95814

SUBJECT: AB 230 (VOEPEL) EMPLOYMENT: FLEXIBLE WORK SCHEDULES SUPPORT

Dear Assembly Member Voepel:

The California Chamber of Commerce and the organizations listed below are pleased to **SUPPORT** your **AB 230 (Voepel)**. **AB 230** will allow employee-selected flexible work schedules.

California is one of the only states that requires employers to pay daily overtime after eight hours of work in addition to weekly overtime after 40 hours of work. Even other states that impose daily overtime requirements allow the employer and employee to essentially waive the daily eight-hour overtime requirement through a written agreement. California, however, provides no such common-sense alternative. Rather, California requires employers to navigate through a multi-step process to have employees elect an alternative workweek schedule that, once adopted, must be “regularly” scheduled. This process is filled with potential traps that could lead to costly litigation, as one misstep may render the entire

alternative workweek schedule invalid and leave the employer on the hook for claims of unpaid overtime wages.

Currently, there are 40,560 reported alternative workweek schedules with the Division of Labor Standards Enforcement. Although the Employment Development Department has not yet released data about the number of employers presently remaining in California in 2021 after COVID-19, that number has historically been around 1.4 to 1.5 million. Therefore, about less than 3% of California employers utilize the alternative workweek schedule option. Further, more realistically, given that the information in the database is according to work unit instead of employer, it is likely that less than 1% of employers in California are utilizing this process.

Employees want flexibility in their work schedules. A recent survey by the Society for Human Resource Management revealed that 91% of Human Resources professionals agree that flexible work arrangements positively influence employee engagement, job satisfaction, and retention. According to Corporate Voices for Working Families and WFD Consulting, an in-depth study of five organizations that allow their non-exempt employees to have flexibility in their schedules found that employee commitment was 55% higher and burnout and stress decreased by 57%. Women and low-income workers have suffered the most from the inability to have flexible schedules, feeling pressured to abandon career goals to care for children and fulfill household obligations. That pressure has been exacerbated by the COVID-19 pandemic. A recent article by NPR estimated that close to 900,000 women left the workforce in 2020 to keep up with the demands of childcare and household obligations. That rate is four times higher than men.

With near-record unemployment, we should be doing everything possible to maximize opportunities for employers to allow employees to set hours that work for an employees' personal and family obligations. This way workers can continue to be employed and support themselves and their families.

AB 230 would provide employees more flexibility because the employee could request an alternative workweek schedule on an individualized basis. It would also relieve employers the administrative cost and burden of adopting an alternative workweek schedule per division. Pursuant to **AB 230**, at the *request of the employee*, an employer would be able to implement a flexible work schedule that allows the employee to work up to ten hours in a day or 40 hours in a week, without the payment of overtime. Employers should be able to provide their employees more flexibility and negotiate through a written agreement, revocable by either party, the daily/weekly schedule that satisfies the needs of both the employee(s) and the employer.

Promoting flexible policies that allow employees to continue to be employed and earning income while working from home is needed now more than ever.

For these and other reasons, we are pleased to **SUPPORT** your **AB 230**.

Sincerely,



Ashley Hoffman
Policy Advocate
California Chamber of Commerce

Acclamation Insurance Management Services
Allied Managed Care
California Association for Health Services at Home
California Food Producers
California Hotel & Lodging Association
California Restaurant Association
Carlsbad Chamber of Commerce
Chino Valley Chamber of Commerce
Coalition of Small and Disabled Veteran Businesses
Family Business Association of California
Flasher Barricade Association

Fremont Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Greater High Desert Chamber of Commerce
Greater Riverside Chambers of Commerce
Housing Contractors of California
Lodi Chamber of Commerce
Long Beach Area Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
National Federation of Independent Business
North Orange County Chamber
Oceanside Chamber of Commerce
Pleasanton Chamber of Commerce
Rancho Cordova Area Chamber of Commerce
Roseville Area Chamber of Commerce
San Gabriel Valley Economic Partnership
Santa Maria Valley Chamber of Commerce
Simi Valley Chamber of Commerce
Southwest California Legislative Council
Torrance Area Chamber of Commerce
Valley Industry & Commerce Association
Western Electrical Contractors Association

cc: Stuart Thompson, Office of the Governor

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