



March 14, 2023

The Honorable Roger Niello  
 California State Senate  
 1021 O Street, Suite 7110  
 Sacramento, CA 95814

**SUBJECT: SB 703 (NIELLO) EMPLOYMENT: WORK HOURS: FLEXIBLE WORK SCHEDULES SUPPORT/JOB CREATOR – AS INTRODUCED FEBRUARY 16, 2023**

Dear Senator Niello:

The California Chamber of Commerce and the organizations listed below are pleased to **SUPPORT** your **SB 703** as a **JOB CREATOR**. **SB 703** 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 44,837 reported alternative workweek schedules with the Division of Labor Standards Enforcement. According to the Employment Development Department, California has about 1.6 million employers. 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. In a recent poll conducted by the California Chamber of Commerce, 88% of voters agreed (49% of them strongly) that the state's overtime laws should be changed to make it easier for employees to work alternative schedules, such as four 10-hour days. A 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. An 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.

As our economy recovers from the pandemic, we should be doing everything possible to maximize opportunities for employers. California should allow employees to set hours that work for an employees' personal and family obligations rather than continuously trying to impose new mandates on employers, which burden their ability to afford to hire. This way, workers can continue to be employed and support themselves and their families.

**SB 703** would provide employees more flexibility because the employee could request an alternative workweek schedule on an individualized basis. It would also relieve employers of the administrative cost and burden of adopting an alternative workweek schedule per division. Pursuant to **SB 703**, 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, a 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 earn income is needed now more than ever.

For these and other reasons, we are pleased to **SUPPORT** your **SB 703** as a **JOB CREATOR**.

Sincerely,



Ashley Hoffman  
Policy Advocate  
California Chamber of Commerce

Acclamation Insurance Management Services (AIMS)  
Allied Managed Care (AMC)  
Anaheim Chamber of Commerce  
Building Owners and Managers Association  
California Association of Health Facilities  
California Association for Health Services at Home  
California Beer and Beverage Distributors  
California Building Industry Association  
California Business Property Association  
California Cattlemen's Association  
California Farm Bureau  
California New Car Dealers Association  
California Restaurant Association  
California League of Food Producers  
California Trucking Association  
California Lodging Industry Association  
Carlsbad Chamber of Commerce  
Chino Valley Chamber of Commerce  
Citrus Heights Chamber of Commerce  
Coalition of Small and Disabled Veteran Businesses  
Commercial Real Estate Development Association (NAIOP)  
Danville Area Chamber of Commerce  
Family Business Association of California  
Flasher Barricade Association (FBA)  
Fresno Chamber of Commerce  
Gilroy Chamber of Commerce  
Greater High Desert Chamber of Commerce  
Greater San Fernando Valley Chamber of Commerce  
Half Moon Bay Coastside Chamber of Commerce  
Hollywood Chamber of Commerce  
Independent Lodging Industry Association  
Industry Business Council  
La Cañada Flintridge Chamber of Commerce  
Laguna Niguel Chamber of Commerce  
Lake Elsinore Valley Chamber of Commerce  
Los Angeles Area Chamber of Commerce  
Mammoth Lakes Chamber of Commerce  
Manteca Chamber of Commerce  
Mariposa County Chamber of Commerce  
Mission Viejo Chamber of Commerce  
Murrieta Wildomar Chamber of Commerce  
National Federation of Independent Business  
Oceanside Chamber of Commerce  
Official Police Garages Association of Los Angeles  
Orange County Business Council  
Pacific Grove Chamber of Commerce  
Palos Verdes Peninsula Chamber of Commerce  
Plumbing-Heating-Cooling Contractors Association of California (CAPHCC)  
Rancho Cordova Area Chamber

Roseville Area Chamber of Commerce  
San Gabriel Valley Economic Partnership  
San Rafael Chamber of Commerce  
Santa Ana Chamber of Commerce  
Santa Barbara South Coast Chamber of Commerce  
Santa Clarita Valley Chamber of Commerce  
Sacramento Metro Chamber of Commerce  
Santa Maria Valley Chamber of Commerce  
Santee Chamber of Commerce  
TriCounty Chamber Alliance  
West Hollywood Chamber of Commerce  
West Ventura County Business Alliance  
Western Electrical Contractors Association (WECA)  
Western United Dairies

cc: Legislative Affairs, Office of the Governor

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