SENATE COMMITTEE ON LABOR, PUBLIC EMPLOYMENT AND RETIREMENT
Senator Lola Smallwood-Cuevas, Chair
2025 - 2026 Regular

Bill No:	AB 1729	**Hearing Date:**	June 17, 2026
Author:	Lee		
Version:	May 18, 2026		
Urgency:	Yes	**Fiscal:**	Yes
Consultant:	Glenn Miles		

SUBJECT: State employment: telework programs

KEY ISSUE

This bill amends and renames the existing State Employee Telecommuting Program; requires state agencies to evaluate their (now named) telework programs every 10 years, as specified; requires state agencies to provide a detailed, written justification to CalHR and to the agency's employees if the agency requires its employees to report to a workplace; and requires the Department of General Services (DGS) to establish a telework dashboard displaying the cost benefits of state telework programs.

ANALYSIS

Existing law:

1) Defines "telecommuting" to mean the partial or total substitution of computers or telecommunication technologies, or both, for the commute to work by employees residing in California. (Government Code § 14200)

2) Finds and declares the following:
   a) Telecommuting can be an important means to reduce air pollution and traffic congestion and to reduce the high costs of highway commuting.
   b) Telecommuting stimulates employee productivity while giving workers more flexibility and control over their lives.
   c) It is the intent of the Legislature to encourage state agencies to adopt policies that encourage telecommuting by state employees to ensure the cost-effective and efficient delivery of services to taxpayers. (Government Code § 14200.1)

3) Requires state agencies to review work operations to determine where telecommuting provides them a practical benefit, and on or before July 1, 1995, to develop and implement a telecommuting plan, as specified. (Government Code § 142001)

4) Requires agencies that participated in specified experimental telework studies to continue and expand those programs, allows other agencies to offer telecommuting programs by partnering with a multiagency group that participated in the experimental studies, as specified, and requires the Department of General Services to establish an internal unit to oversee agency telecommuting programs and perform specified duties. (Government Code § 142001)

5) Requires each state agency to evaluate its telecommuting program and requires DGS to establish criteria for evaluating the state's telecommuting program and recommend modifications, if necessary. (Government Code § 142003)

This bill:

1) Denominates the "telecommute" program as the "telework" program and makes conforming changes to existing statute.

2) Finds and declares that telework schedules could reduce state-owned and leased office space by approximately 30 percent according to the Department of General Services, which the California State Auditor estimates could generate annual cost savings of as much as two hundred twenty-five million dollars ($225,000,000).

3) Updates statutory provisions by:
   a) Replacing references to reviewing telecommuting programs and with language that requires the development and implementation of telework programs, as specified.
   b) Requiring an agency to provide a detailed, written justification to CalHR and to the agency's employees where its unique operational needs and programmatic mission require employees to report to a workplace.

4) Requires DGS' specified unit responsible for developing telework guidelines to establish a telework dashboard that displays the cost-effectiveness and efficiency benefits of state telework programs, including documenting the annual savings to the state of reduced office space and operating costs, cuts in emissions and energy use, the decrease in vehicle miles traveled, and other benefits that save taxpayer dollars while delivering high-quality services to taxpayers.

5) Requires each state agency, every 10 years, to evaluate its telework program to ensure that it aligns with the state agency's unique operational needs to carry out its programmatic missions and to help recruit and retain a qualified workforce.

6) Contains an urgency clause, as specified.

COMMENTS

1. Background:

This bill comes before the committee in the context of the Governor's return to work order aimed at ending state government telework programs that the state implemented during the COVID-19 pandemic. That context also includes state employees efforts to retain those telework programs, the state employee unions' ongoing collective bargaining with the Administration over state employee MOUs, pressure from both private and public sector actors to require public employees to return to commercial centers in order to aid in those centers' economic recovery, and existing disputes as to whether the Governor sufficiently weighed the economic and environmental costs of eliminating or restricting the state telework programs.

According to the Assembly Appropriations Committee:

"In 1990, the Legislature established the State Employee Telecommuting Program as a voluntary pilot program and in 1995 all state agencies were required to develop and implement a telecommuting plan for work areas where telecommuting is identified as practical and beneficial. While telecommuting has proliferated significantly in the intervening years, particularly post the COVID-19 Pandemic, this program has yet to be updated by subsequent legislation."

"In August of 2025, the California State Auditor (CSA) released a report on state telework policies. While the report is extensive and contains various findings, one of the most pertinent points for this bill is the finding that "the Governor's return-to-office order could have made better use of important information regarding departments' needs and costs" in regard to the Governor's April 2024 directive for state employees to return-to-office two days per week and the March 2025 executive order directing return-to-office four days per week. The report cites an estimated $117 million in fiscal year 2024-25 spent by the 19 departments reviewed on unused office space facilitated by the two-day in-office schedule. The CSA warns that such savings, potentially as much as $225 million statewide for all agencies, are not possible under a four-day in-office schedule."

"This bill, among other things, requires each state agency to provide justification for requiring employees to report to the workplace based on operational needs and programmatic mission requirements and requires each state agency to evaluate its existing telework program every 10 years."

2. **Need for this bill?**

According to the author:

"This bill updates state telework statutes to reflect the reality that large portions of the state workforce are teleworking and have been doing so for approximately six years."

3. **Proponent Arguments:**

According to the Professional Engineers in California Government:

"AB 1729 will save taxpayers hundreds of millions of dollars, reduce traffic congestion and emissions, and allows the state to hire and retain state qualified staff during a period of ongoing wage freezes."

According to the Service Employees International Union, California:

"Telework has proven to be a reliable and effective tool to maintain service delivery while improving working conditions and operational efficiency. AB 1729 helps ensure that these programs are guided by data, consistency, and accountability across departments."

"Findings from the California State Auditor reinforce the value of telework. The Auditor identified that expanded telework can generate significant cost savings for the state, estimating up to $225 million annually, while also reducing the need for leased office space. At a time when the state must be thoughtful about both fiscal stewardship and workforce stability, this bill moves us in the right direction."

According to the American Federation of State, County and Municipal Employees:

AB 1729 also advances fairness and consistency across state service by establishing clearer expectations around telework eligibility and implementation. Our members have demonstrated their ability to meet performance standards and public service obligations while teleworking, and this bill helps ensure telework decisions are made transparently and equitably.

According to the Association of California State Supervisors:

"AB 1729 will help maintain flexible telework policies for eligible state employees, including state supervisors and managers."

"AB 1729 reiterates legislative support for telework and recognizes that it has proven to be a cost-effective and efficient way to deliver services to California taxpayers. This bill also clarifies the existing telework statutes to require a state agency to identify operational needs, and provide detailed, written justification when employees are required to report to a workplace."

4. **Opponent Arguments:**

   None received.

5. **Dual Referral:** The Senate Rules Committee referred this bill to the Senate Labor, Public Employment and Retirement Committee and to the Senate Governmental Organization Committee.

6. **Prior Legislation:**

   AB 2672 (Cortese), Chapter 1209, Statutes of 1994, authorized state agencies to incorporate a telecommuting work option as an element of its transportation management programs, required state agencies to review work operations to determine where telecommuting provides them a practical benefit, and on or before July 1, 1995, to develop and implement a telecommuting plan, as specified.

   AB 2963 (Klehs), Chapter 1389, Statutes of 1990, authorized agencies that participated in specified experimental telework studies to continue and expand those programs, as specified, and required the Department of General Services to establish an internal unit to oversee agency telecommuting programs and perform specified duties.

SUPPORT

Professional Engineers in California Government (Co-Sponsor)
Association of California State Supervisors (Co-Sponsor)
American Federation of State, County and Municipal Employees (co-sponsor)
California Association of Professional Scientists (co-sponsor)
California Attorneys Administrative Law Judges and Hearing Officers in State Employment (co-sponsor)
Service Employees International Union, California (co-sponsor)
Service Employees International Union, Local 1000 (co-sponsor)
Association of California State Employees With Disabilities

California Faculty Association
California Federation of Labor Unions
Statewide Disability Advisory Council
UAW Region 6
7 individuals

OPPOSITION

None received

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