SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION
Senator Susan Rubio
Chair
2025 - 2026 Regular

Bill No:	AB 1729	**Hearing Date:**	6/23/2026
Author:	Lee, et al.		
Version:	5/18/2026 Amended		
Urgency:	Yes	**Fiscal:**	Yes
Consultant:	Brian Duke		

SUBJECT: State employment: telework programs

DIGEST: This bill requires the Department of General Services (DGS) to establish a telework dashboard displaying the cost-effectiveness and efficiency benefits of state telework programs, as specified; requires, where a state agency's unique operational needs require employees to report to the workplace, that state agency to provide detailed and written justification to DGS and the agency's employees; requires each state agency to evaluate its telework program every 10 years; and, replaces the term "telecommuting" with "telework" in the relevant Government Code sections.

ANALYSIS:

Existing law:

1) Requires every state agency to develop and implement a telecommuting plan as part of its telecommuting program in work areas where telecommuting is identified as being both practical and beneficial to the organization.

2) Requires DGS to establish a unit for purposes of overseeing telecommuting programs that is required to, among other things, develop and update policy, procedures, and guidelines to assist agencies in the planning and implementation of telecommuting programs.

3) Requires DGS to establish criteria for evaluating the state's telecommuting program, as specified.

4) Defines "telecommuting" to mean the partial or total substitution of computers or teleworking technologies, or both, for the commute to work by employees residing in California.

This bill:

1) Provides that where a state agency's unique operational needs and programmatic mission require employees to report to a workplace, the agency shall provide a detailed, written justification to DGS and to the agency's employees.

2) Requires the unit established by DGS for the purpose of overseeing telework 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.

3) Requires, every 10 years, each state agency 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.

4) Replaces the term "telecommuting" with "telework."

5) Makes various changes to related Legislative findings and declarations.

6) Includes an urgency clause, to take effect immediately.

Background

Author Statement. According to the author's office, "AB 1729 empowers and supports our state workers by ensuring transparency about their agency's telework policy. The State Auditor has shown that telework could save upwards of $225 million annually, while significantly reducing carbon emissions. These environmental benefits and cost savings directly benefit the public. As such, this bill will pave the way for increased transparency of state agencies' telework policies."

State Employee Telework and the COVID-19 Pandemic. Existing law, dating back to the 1900s, requires all state agencies to develop and implement a telecommuting plan as part of its telecommuting program in work areas where telecommuting is identified as being both practical and beneficial to the organization. Additionally, existing law requires DGS to establish a unit for the purpose of overseeing telecommuting programs, as specified. The Statewide Telework Policy can be found on DGS's internet website.

During the COVID-19 Pandemic, in order to protect public health and ensure the safety of state employees, departments and agencies broadly implemented telecommuting arrangements while maintaining government operations and public services. As pandemic-related restrictions eased, many state employees continued working remotely or under hybrid schedules that combined telecommuting with in-office work. Over time, these hybrid arrangements have largely become common and normalized as a component of state employment.

Return-to-Office Directives. In April 2024, Governor Newsom issued a letter to Cabinet Secretaries directing state agencies and departments to implement hybrid telework policies that generally required employees to report to the office at least two days per week, while allowing for case-by-case exceptions. Less than a year later, the Administration took additional action to increase in-person work requirements.

Despite the state's experience with telecommuting and its perceived success in supporting goals such as reducing traffic congestion and greenhouse gas emissions, improving operational efficiency, and generating taxpayer savings, Governor Newsom announced in March of 2025, that state employees would be required to work in person four days per week by signing Executive Order (EO) N-22-25.

Following the filing of an unfair practice charge by a state employee organization with the Public Employment Relations Board (PERB), PERB's Office of General Counsel issued an opinion indicating the Administration may have violated the Dills Act by failing to meet and confer in good faith, thereby potentially interfering with the employee organization's right to represent its members. Following these developments, implementation of the Governor's return-to-office directive was delayed for one year. In response to concerns raised by state employees, employee organizations, and public officials, the Joint Legislative Audit Committee subsequently directed the State Auditor to review the matter.

State Auditor's Report on State Telework Policies. Among its findings, the State Auditor concluded that the Administration could have made better use of available information regarding departmental office space needs and the cost associated with those needs before directing state employees to increase the number of days worked in person. Specifically, the audit found that under the two-day-per-week in-office requirement established by the Governor's April 2024 directive, 19 selected departments spent nearly $117 million during fiscal year 2024-25 to maintain approximately 3.2 million square feet of office space across seven large state-owned office properties that was frequently underutilized.

The audit also found that DGS had not established the telework evaluation criteria required by state law to assist departments in assessing the effectiveness of their telework programs. As a result, departments often relied on less quantifiable considerations, including intangible factors and direction from external entities, when making decisions regarding changes to their telework policies.
Summary of Key Findings:

1) The Governor's return-to-office order could have made better use of important information regarding departments' needs and costs where, among other things, the Governor's Office could have used available information about the effects of returning state employees to the office when making such mandates.
2) Telework can generate significant savings for state office costs, if state employees telework three or more days per week.
3) Some of the departments reviewed partially evaluated their telework programs to inform their past return-to-office decisions.
4) DGS's oversight of telework policies was effective.

Revised Telework Provisions. Although telecommuting has increasingly been recognized as a subject of bargaining under the Dills Act, this bill does not amend the Act or alter the existing collective bargaining, including wages, hours, and other terms and conditions of employment. Notably, this bill applies *only* to California state employees. This bill does *not* apply to any municipal staff or Legislative staff, neither of which are considered "state employees."

Further, the bill does not mandate, prescribe, or suggest a specific number of days that state employees must telework or report to a physical workplace. Rather, this bill seeks to modernize and recast portions of the state's existing telecommuting program by what supporters argue is improved accountability, transparency, and data collection regarding telework and the benefits associated with it. Among other things, the bill expands the use of the state's Statewide Hybrid Workforce Data Set by requiring DGS to establish a telework dashboard that displays the cost-effectiveness and efficiency benefits of state telework programs. The dashboard will document 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.

This bill, where a state agency's unique operational needs and programmatic mission require employees to report to a workplace, requires the agency to provide a detailed, written justification to DGS and the agency's employees. This bill also revises Legislative findings and declarations related to telework and includes an urgency clause, to take effect immediately.

Prior/Related Legislation

AB 2672 (Cortese, Chapter 1209, Statutes of 1994) authorized every state agency to incorporate the telecommuting work option as an element of its transportation management programs, which are designed to reduce the number of commute trips by state employees, and required every state agency to review its work operations to determine where in its organization telecommuting can be of practical benefit to the agency, as specified.

AB 2963 (Klehs, Chapter 1389, Statutes of 1990) authorized every state agency, board and commission to incorporate the telecommuting work option as an element of its transportation management system. Agencies that participated in specified experimental studies were authorized to continue and expand those programs, and those who did not participate were authorized to comply with policy, procedures, and guidelines developed by the DGS. Also required the DGS to establish an internal unit to oversee agency telecommuting programs and perform specified duties.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT:

American Federation of State, County and Municipal Employees, AFL-CIO (Co-source)
Association of California State Supervisors (Co-source)
California Association of Professional Scientists, UAW Local 1115 (Co-source)
California Attorneys Administrative Law Judges and Hearing Officers in State California
Employment (Co-source)
Professional Engineers in California Government (Co-source)
SEIU California (Co-source)
Service Employees International Union, Local 1000 (Co-source)
Association of California State Employees With Disabilities
California Faculty Association
California Federation of Labor Unions, AFL-CIO
California Labor Federation, AFL-CIO

Fossil Free California
Sacramento City Councilmember Phil Pluckebaum
UAW Region 6
WorkLife Law
Several Individuals

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: In support of the bill, SEIU California writes, in part, "[o]ur members include thousands of public workers who deliver essential services every day, from processing benefits to protecting public health and safety. 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."

Further, "findings from the California State Auditor reinforced 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."

And finally, "[t]his measure also reflects the reality of today's workforce. State government has evolved, and policies must keep pace. Providing clear statutory direction helps avoid inconsistent implementation across departments and protects against abrupt changes that can disrupt workers and the services Californians rely on."

DUAL REFERRAL: Senate Labor, Public Employment & Retirement Committee (4-1) and Senate Governmental Organization Committee