

# Gone Surfing: Could California Be the First State to Adopt a Four-Day Workweek?

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In recent years, countries such as Iceland and Belgium and some domestic companies have experimented with the concept of four-day workweeks. Now, a new bill proposed by California Assemblymembers Cristina Garcia (D-Bell Gardens) and Evan Low (D-San Jose), [Assembly Bill 2932 \("AB 2932"\)](#), proposes to make a four-day workweek the new normal in California for non-exempt employees.

Under existing law, both California's Labor Code and its Industrial Welfare Commission Wage Orders set the threshold for weekly overtime at 40 hours per week. In its current form, AB 2932 would redefine the standard workweek for non-exempt employees who work for employers with more than 500 employees to 32 hours. Any work beyond 32 hours would trigger overtime.

In an attempt to mitigate the potential wage loss to employees from a reduced workweek, AB 2932 confusingly provides that "[t]he compensation rate of pay at 32 hours shall reflect the previous compensation rate of pay at 40 hours." It is unclear whether this would mean that employers covered by AB 2932 would be prohibited from reducing salaried non-exempt employees' salaries based on their shorter workweeks, or whether it would require that employers actually *increase* the hourly rate of pay for hourly-paid non-exempt employees so that, on balance, they end up earning the same amount of pay for 32 hours as they did for 40. Interestingly, AB 2932 does nothing to relieve overworked exempt employees.

If signed into law, AB 2932's redefined standard non-exempt workweek could have ripple effects beyond just the increase in free time it may provide to some California workers. Compensating hourly employees for overtime at the lower threshold could be exceedingly expensive, especially given California's high state and local minimum wage rates. Further, the limited workweek could negatively impact client service, heighten employees' stress to complete the same amount of work in fewer weekly working hours, and negatively impact employees' sick leave and other paid time off accrual.

It is still unclear whether AB 2932 has any chance of being passed. However, if enacted, the law would mark the first change to the definition of the standard 40-hour workweek in the United States since 1926. The Legislature has until August 31st to pass measures, and Governor Newsom has until September 30th to sign or veto bills. We will continue to monitor and report on developments.

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