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DISTRICT OFFICE 13405 FOLSOM BOULEVARD, BUILDING 700 FOLSOM, CA 95630 (916) 294-9774 FAX (916) 294-9830 Assembly California Legislature JOSH HOOVER ASSEMBLYMEMBER, SEVENTH DISTRICT

COMMITTEES VICE CHAIR, ENVIRONMENTAL SAFETY AND TOXIC MATERIALS VICE CHAIR, JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY COMMUNICATIONS AND CONVEYANCE EDUCATION NATURAL RESOURCES PRIVACY AND CONSUMER PROTECTION JOINT LEGISLATIVE AUDIT

March 19, 2024

The Honorable Gregg Hart Chair, Joint Legislative Audit Committee 1020 N Street, Room 107 Sacramento, CA 95814

Re: Request for Audit of State Worker Return-to-Office Mandate.

Dear Chairman Hart:

I am writing to request an audit of the Department of General Services (DGS) and Department of Human Resources (CalHR) to review recent proposed changes to state telework policies. State agencies implemented a shift to telework four years ago at the beginning of the pandemic, and today approximately <u>74,000 state employees</u> choose to work from home. The ability to telework has <u>proven</u> overwhelmingly popular with state employees, resulting in enhanced productivity, savings in cost and time, and significant environmental benefits.

Despite the success of these policies, state agencies are rolling them back and forcing workers to return to the office. The origin and justification for this mandate <u>remains</u> <u>unclear</u>. An audit is needed to investigate the rationale, timing, legality, and costs of this decision.

The return-to-office mandate directly contradicts the state's climate goals and undermines the Legislature's efforts to address a <u>\$73 billion budget deficit</u>. It also increases costs for Californians struggling with an affordability and housing crisis.

DGS currently <u>manages</u> 59 state office buildings totaling over 13 million square feet of office space, and <u>spends</u> over \$600 million per year on rent to maintain more than 2,000 leases for state departments in privately owned buildings. Telework can reduce this footprint and provide substantial budget savings. State telework has also <u>eliminated</u> nearly 400,000 metric tons of carbon emissions, reduced traffic congestion, and <u>saved</u> workers hundreds of dollars per month in vehicle expenses. Rolling back telework is counterproductive and may also be illegal if it changes working conditions subject to collective bargaining.

For these reasons, I request that the audit address the following questions:

- 1. What is the origin and basis for the decision to roll back telework? Is this a coordinated policy imposed by the administration?
- 2. Did DGS and CalHR appropriately analyze the costs and benefits of this policy change for both the state and for state workers?
- 3. How much does DGS currently spend to maintain or lease unnecessary office space for teleworking state workers? How much will this mandate cost the state to maintain office space for hybrid workers that will only be in-person two days per week? What budget savings and efficiencies could be achieved if the mandate were reversed and DGS reduced its office footprint?
- 4. Did DGS and CalHR evaluate how much this mandate will increase vehicle emissions and vehicle miles traveled? To the extent it is practicable to determine, what impact will this decision have on the state meeting its climate goals?
- 5. How much will this mandate increase housing and vehicle costs for state workers? How much time will be lost due to commuting?
- 6. What impact will this mandate have on worker productivity?
- 7. What impact will this decision have on the state's ability to compete for workers in a tight labor market and attract qualified job applicants? What impact will the decision have on worker retention?
- 8. What is the basis for the decision to <u>eliminate funding</u> for the state's Telework Compliance Office?
- 9. Did the state mislead job applicants by representing that positions would be remoteonly, and now reversing that classification?
- 10. Does this decision represent a change to working conditions that is within the scope of representation and therefore subject to collective bargaining? Is the state complying with all applicable labor laws and policies?

Thank you for your consideration of this request. Should you have any questions or would like additional information, please contact Teresa Trujillo in my office at 916-319-2007 or <u>Teresa.trujillo@asm.ca.gov</u>.

Respectfully,

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JOSH HOOVER Assemblyman, 7th District