

HOUSE No. 3849

The Commonwealth of Massachusetts

PRESENTED BY:

Josh S. Cutler and Dylan A. Fernandes

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to a four-day work week pilot program.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Josh S. Cutler</i>	<i>6th Plymouth</i>	<i>4/10/2023</i>
<i>Dylan A. Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>	<i>4/10/2023</i>
<i>Carmin Lawrence Gentile</i>	<i>13th Middlesex</i>	<i>5/30/2023</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>	<i>7/5/2023</i>

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By Representatives Cutler of Pembroke and Fernandes of Falmouth, a petition (subject to Joint Rule 12) of Josh S. Cutler and Dylan A. Fernandes that the Executive Office of Labor and Workforce Development be authorized to establish a four-day work week pilot program. Labor and Workforce Development.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to a four-day work week pilot program.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. (a) Notwithstanding any general or special law to the contrary, the
2 executive office of labor and workforce development shall establish a pilot program to promote,
3 incentivize and support the use of a four-day work week by qualifying employers and to study
4 the benefits and impacts of such work arrangements on participating employees and employers.
5 This program shall be known as the Massachusetts Smart Work Week Pilot.

6 (b) For the purposes of this act, the following terms shall have the following meanings,
7 unless the context clearly requires otherwise:-

8 “Four-day work week”, employees receive a meaningful reduction in actual work hours
9 without any reduction in overall pay.

10 “Pilot”, the Massachusetts Smart Work Week Pilot Program, as established in this act.

11 “Qualifying employer”, an employer operating in the commonwealth that enters an
12 agreement to participate in the Massachusetts Smart Work Week Pilot Program subject to this
13 act.

14 (c) Within one year of enactment, the executive office shall begin accepting applications
15 from employers to participate in the pilot. The executive office shall publicize and promote such
16 an application throughout the commonwealth and online to make application to the pilot
17 accessible to all employers in the commonwealth. In addition to any other information required
18 by the executive office, such applications by qualifying employers must include a detailed
19 proposal to establish and implement a four-day work week for the qualifying employer’s
20 workforce or a division of the qualifying employer’s workforce. The proposal must apply to no
21 fewer than 15 employees employed by said qualifying employer.

22 (d) Based on the information provided in the application subject to subsection (c) of this
23 section, the executive office shall select qualifying employers from the applicant pool to
24 participate in the pilot. The executive office shall make every effort to select qualifying
25 employers of diverse size, occupation, industry sector and geographical location to participate in
26 the pilot, including participation of veteran-, women- and minority-owned businesses and
27 businesses owned by persons with disabilities. Employers in the public sector may participate in
28 the pilot but shall not be eligible for tax credits under Section 2 of this act.

29 (e) Upon selection to participate in the pilot, qualifying employers must enter into an
30 agreement with the executive office providing that:

31 (i) the qualifying employer shall develop and implement a plan to transition its
32 designated employees to a four-day work week;

33 (ii) an employee transitioning to a four-day work week under a qualifying employer will
34 not receive a reduction in overall pay, status, or benefits; and

35 (iii) the executive office shall study and evaluate the impact of transitioning to a four-day
36 work week through gathering employee and qualifying employer data, including, but not limited
37 to, employee surveys, interviews, economic data, and other information.

38 (f) Qualifying employers shall inform their employees of said employer's participation in
39 the pilot and shall allow their employees to opt out of participation in the pilot. Employees who
40 choose to participate in the pilot shall also be permitted to opt out of employee interviews,
41 surveys, and any other information gathering methods. Qualifying employers shall notify their
42 participating employees that collection of employee data for the purposes of this pilot shall be
43 anonymized.

44 (g) The executive office shall research and collect data on an ongoing basis during the
45 administration of the pilot. This shall include, but not be limited to: employee surveys to be
46 conducted at the start, mid-point, and end of the pilot; employee interviews at the start and end of
47 the pilot; participating employer, or designee, interviews at the start and end of the pilot and no
48 later than December 31 of each year for the duration of the pilot; economic and administrative
49 data from participating employers on a monthly basis.

50 (h) The pilot shall have a total duration of no less than two years. Annually, not later than
51 December 31 for the duration of the pilot, the executive office shall publish a report on the
52 progress of this pilot on its website and submit said report to the clerks of the house and senate,
53 the joint committee on ways and means, the joint committee on labor and workforce
54 development, and the joint committee on economic development and emerging technologies.

55 Upon completion of the pilot, the executive office shall publish a final report online and submit
56 said report to the clerks of the house and senate, the joint committee on ways and means, the
57 joint committee on labor and workforce development, and the joint committee on economic
58 development and emerging technologies. The final report shall include, but not be limited to, the
59 total number of qualifying employers participating in the pilot; the size, occupation, industry
60 sector and geographical location of qualifying employers participating in the pilot; demographic
61 information of participating employees, including, but not limited to, age, gender and race; the
62 economic and social impact of a four-day work week on the qualifying employers participating
63 in the pilot; the impact of a four-day work week on the well-being and work life of participating
64 employees; any findings or recommendations based on the research conducted on four-day work
65 weeks.

66 SECTION 2. (a) Notwithstanding any general or special law to the contrary, a qualifying
67 employer shall be allowed a credit against the tax liability imposed by chapter 62 of the general
68 laws or the excise due under chapter 63 of the general laws, as it applies, for participation in the
69 Massachusetts Smart Work Week Pilot Program; provided, however, that an employer in the
70 public sector shall not be eligible for the credit. This credit shall terminate at the end of the
71 taxable year in which the conclusion of said pilot occurs.

72 (b) The secretary of labor and workforce development, in consultation with the
73 department of revenue, shall promulgate regulations establishing criteria and procedure for: (i)
74 an application process for the credit; and (ii) determining the amount of credit issued under this
75 section.

76 (c) To be eligible for a credit under this section, a qualifying employer shall have:

77 (i) participated in the pilot for no less than one year; and

78 (ii) submitted a report to the executive office detailing its transition to a four-day work
79 week, including data collection as described in subsection (g) of section 1 of this act.

80 (d) Prior to the issuance of any credit, the executive office shall confirm that the
81 qualifying employer has maintained compliance with its proposal subject to subsection (c) of
82 section 1 of this act.

83 (e) The executive office may determine the amount to be credited to a qualifying
84 employer through one or a combination of the following:

85 (i) a fixed dollar amount for each qualifying employer;

86 (ii) a fixed dollar amount for each employee of the qualifying employer participating in
87 the pilot;

88 (iii) a percentage of the wages paid to each employee of the qualifying employer
89 participating in the pilot; or

90 (iv) a dollar amount that assists in offsetting a qualifying employer's costs to hire new
91 employees due to the qualifying employer's participation in the program.

92 (f) The department of revenue, in consultation with the secretary of labor and workforce
93 development, shall annually, no later than March 1, file a report on the tax credit for its duration.
94 The report shall include, but not be limited to, the following: (i) total amount of tax credits
95 claimed pursuant to this subsection and (ii) the number of applications received and the number
96 of participating employers.