

## Testimony in Support of Maine Bill LD 1865 - May 8th, 2025

Submitted by Vishal Reddy, Executive Director, WorkFour

Thank you for convening this hearing on such an important issue. I'm Vishal Reddy, and I'm the Executive Director of WorkFour, which leads the national effort for a 4-day, 32-hour workweek with no loss in pay. We do this by connecting executives, policymakers, and workers to each other. We are excited to be writing in support of **Maine Bill LD 1865**.

# Evidence Shows the 4-Day, 32-Hour Workweek Is a Win-Win-Win for Employers, Workers, and Society

The data is clear: the 4-day, 32-hour workweek delivers transformative results across all dimensions.<sup>1</sup>

**For Employers:** In global trials led by economist Dr. Juliet Schor and 4 Day Week Global, 91% of participating companies continued the schedule after one year. In the U.S. and Canada, 97% of participating companies continued the schedule because of its powerful effects. Employers reported a 30% average revenue increase, an increase in productivity, a 22.5% drop in resignations, and a 39% decrease in absenteeism. Productivity gains came not from speed-up, but from rest and real improvements in workflow — such as fewer meetings and better focus — yielding more output per hour.

**For Workers:** The benefits for employees are broad, profound, and concrete. In trials involving over 3,600 workers, 69% reported reduced burnout, 41% reported lower

<sup>&</sup>lt;sup>1</sup> Schor, Juliet. Statement before the U.S. Senate Committee on Health, Education, Labor, and Pensions on the Need for a 32-Hour Workweek with No Loss in Pay. 14 Mar. 2024. Boston College. PDF.



stress, and more than 40% saw improvements in both physical and mental health. Nearly 60% reported better work-family balance, and 95% of participants wanted to keep the schedule. Workers experienced fewer sleep problems, reduced fatigue, and greater feelings of control and capability on the job. Many described the shift as "life-changing" or "transformational." One even credited the schedule with allowing them to catch a serious medical issue in time. These well-being improvements were directly tied to actual reductions in hours — proving that time itself, not just flexibility, is essential to sustainable work.

**For Society:** The 4-day, 32-hour week helps reverse the rising burden on American households. Since 1975, dual-income families are working 600 more hours per year, the equivalent of over 15 additional full-time workweeks annually.<sup>2</sup> Meanwhile, Americans now work 400 more hours per year than Germans, despite our higher productivity. This overwork is having serious consequences: according to the American Psychological Association's 2023 Work in America survey, 57% of workers reported experiencing negative impacts from work-related stress tied to burnout.<sup>3</sup> The 4-day, 32-hour workweek offers a powerful and evidence-based intervention — one that restores balance, improves mental health, and realigns work with human needs across economic, social, and environmental dimensions.

#### Now Is the Time to Act

LD 1865 is exactly the kind of policy innovation we need right now. It provides a public incentive for private-sector experimentation by offering tax credits to businesses that shift to a four-day, 32-hour schedule with no loss in pay.

<sup>&</sup>lt;sup>2</sup>Sawhill, Isabel V., and Katherine Guyot. "The Middle-Class Time Squeeze." *Brookings Institution*, 18 Aug. 2020.

<sup>&</sup>lt;sup>3</sup><u>American Psychological Association. 2023 Work in America Survey: Workplaces as Engines of</u> <u>Psychological Health and Well-Being. 2023.</u>



These pilots have already been proven to work at the organizational level (97% of companies in the U.S. and Canada that have piloted it have continued to implement a 4-day, 32-hour workweek!) — but government-supported pilots like LD 1865 are essential to expanding their reach and gathering data across diverse industries, regions, and business types. Maine can help move the conversation from "Will this work?" to "How do we make this work at scale?"

We're also at a critical inflection point for working families. As mentioned, household work hours have surged, particularly in dual-earner families, leading to what economists call the "middle-class time squeeze." Families are struggling to meet basic needs — caregiving, rest, civic participation — and many feel they're constantly running on empty. People are burnt out because they don't have enough time or enough money. Maine can be a national leader in reversing that trend by investing in real, proven solutions. The four-day week isn't just a lofty idea — it's a concrete intervention, with growing evidence behind it. Expanding the scale of these pilots through incentives like LD 1865 will help determine where and how it can deliver the greatest impact.

At the same time, the rise of AI and automation poses a fundamental question: Who benefits from the gains in productivity? Without thoughtful policy, these technologies risk accelerating job loss, intensifying demands, and widening inequality. But it doesn't have to be that way. A four-day, 32-hour workweek offers a clear and achievable alternative: one where workers share in the gains through time, not just profits. Maine has the chance to model a future of work that is more human, more balanced, and more just.

Some view the 40-hour, 5-day workweek as fixed and inevitable, but in reality, it's the product of policy decisions made nearly a century ago. The standard workweek was established in the Fair Labor Standards Act of 1938, based on the economic and social realities of that time. Since then, the American economy has undergone enormous transformation — from technological advances and automation to the



rise of dual-income households and increased workforce participation by women. And yet, the structure of the workweek hasn't changed in over 80 years. That's not because it continues to serve everyone well, but because we haven't updated the policy framework that defines it. In fact, the history of work in America shows that the workweek only changes when policymakers act to change it. LD 1865 gives Maine the opportunity to lead the way, not by mandating a new standard, but by encouraging innovation through voluntary pilots and incentives that reflect today's economic and workforce realities.

By advancing LD 1865, Maine can lead the country in showing that the future of work doesn't have to mean more hours, more stress, or more precarity — it can mean less time on the clock, stronger families, and better lives.

### **Momentum Is Building**

While Maine would be the first state to offer this kind of incentive, the momentum for a 4-day, 32-hour workweek is growing. Across the country, businesses that pilot it overwhelmingly choose to keep it, and policymakers are exploring efforts to scale shortened workweeks. LD 1865 could accelerate this shift – especially for small- and mid-sized businesses that want to lead on innovation but need support to take the leap.

The 4-day, 32-hour workweek is fiscally responsible, pro-working family, and future-facing. We urge you to pass LD 1865 and help Maine lead the way toward a better, more balanced future of work.

Thank you,

#### **Vishal Reddy**

Executive Director, WorkFour