

STATE OF HAWAI'I

STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAI'I 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 28, 2025

The Honorable Representative Kyle T. Yamashita, Chair House Committee on Finance The Thirty-Third Legislature State Capitol State of Hawai'i Honolulu, Hawai'i 96813

Dear Representative Yamashita, and Committee Members:

SUBJECT: SB1065 SD2 HD1 Relating to skills-based hiring.

The Hawai'i State Council on Developmental Disabilities **strongly supports SB1065 SD2 HD1**, which promotes equitable, skills-based hiring by removing the blanket requirement of a bachelor's degree for state employment.

This proposed bill recognizes that while college can offer foundational knowledge, it is not the only path to developing the competencies needed for public service. As the Department of Accounting and General Services (DAGS) noted, grade inflation and unrelated degree requirements often dilute the meaningfulness of educational credentials. Experience, dedication, and a proven track record should weigh as heavily—if not more so—than a diploma.

We have seen this firsthand. Our office hosted an intern through the Department of Labor and Industrial Relations. She demonstrated outstanding professionalism, initiative, and skill. She knew the systems, worked well with our team, and contributed meaningfully to our mission. However, despite her capabilities and clear value to our work, we could not consider her for a program specialist position solely because she did not have a bachelor's degree. This was frustrating and unfair.

We urge the committee to support this bill's effort to open doors for talented individuals who have the experience, but not the degree. At the same time, we agree that certain roles requiring licensure or professional certification may necessitate degree requirements, and that higher-level positions should require experience or education—but not one at the exclusion of the other.

Let's lead by example and ensure that our public hiring practices reflect the diverse pathways people take to gain knowledge and contribute to our communities.

Thank you for the opportunity to testify in strong support of SB1065 SD2 HD1.

Respectfully submitted,

Daintry Bartoldus
Executive Administrator

JOSH GREEN, M.D.

SYLVIA LUKE LIEUTENANT GOVERNOR

OFFICE OF THE PUBLIC DEFENDER

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

LUIS P. SALAVERIA

SABRINA NASIR DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE Ka 'Oihana Mālama Mo'ohelu a Kālā

> P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 1065, S.D. 2, H.D. 1

March 28, 2025 2:00 p.m. Room 308 and Videoconference

RELATING TO SKILLS-BASED HIRING

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 1065, S.D. 2, H.D. 1, adds a new section to Chapter 78, HRS, prohibiting bachelor's degree requirements for State employment unless the knowledge, skills, or abilities required for a position can only stem from a course of study that culminates in the award of a bachelor's degree.

B&F has concerns with this bill as applied to the department's professional positions. In general, the professional-level work in the department involves analysis of budget, financial and policy-related issues and problems, evaluation of alternatives to address those issues and problems, and presentation of conclusions in writing and orally. This professional-level work is directly comparable to what a college student must do to complete their course work to receive a college degree.

A college degree shows the department that the job candidate has:

- Academic ability can complete academic work and is capable of thinking critically and solving problems;
- Work ethic is dedicated, committed, and goal-oriented;

- Capacity for learning has an ongoing interest in learning new things; and
- Ability to handle responsibility can take on significant responsibilities and work through challenges.

B&F strongly believes that the ability to require a bachelor's degree as a credential is a necessary tool to determine whether applicants are able to do the complex work that is required of them in the department.

Thank you for your consideration of our comments.



KEITH A. REGAN COMPTROLLER KA LUNA HOʻOMALU HANA LAULĀ

MEOH-LENG SILLIMANDEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY

OF

KEITH A. REGAN, COMPTROLLER DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO THE

COMMITTEE ON FINANCE

MARCH 28, 2025, 2:00 P.M.
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 1065, S.D. 2, H.D. 1

RELATING TO RELATING TO SKILLS-BASED HIRING

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee, thank you for the opportunity to submit testimony on S.B. 1065, S.D. 2, H.D. 1.

The Department of Accounting and General Services (DAGS) <u>supports</u> this bill and offers the following comments:

- 1) Obtaining a college degree in a field relevant to a position for which the State is hiring provides evidence of a basic foundational knowledge that is necessary to be successful in certain positions; however, college is not the only way in which that requisite knowledge can be learned.
- 2) Even then, the well-known effect of grade inflation, wherein students are assigned higher grades than their work would merit otherwise, diminishes the value of certain degrees, and cannot be relied upon as proof of the

- needed knowledge, skills, or ability to be successful in the position; whereas a track record of successful employment with increasing responsibility stands on its own merits, regardless of any degrees obtained. DAGS has staff that are also adjunct faculty at various universities that can speak directly on this issue as warranted
- 3) Current position descriptions requiring degrees often specifically list tangential fields of study that have little to no useful implementation in the position for which a candidate is applying. Possessing a degree for the sake of a degree does little to make the State better at providing public service and stands the real possibility of excluding individuals who would otherwise be a valuable asset to an agency.
- 4) DAGS encourages the committee to consider allowing a degree, particularly advanced degrees beyond a bachelor's degree, to continue to serve as a corresponding number of years of experience (e.g., two years of college being adjudged the equivalent of one year of work experience) necessary to satisfy minimum requirements for the position but not having a college degree should not serve as a barrier for those candidates who have successfully demonstrated knowledge, skills, and ability in similar positions for applying for any State opening. In this way, State positions should list a minimum number of years of experience required for the position, years that can be obtain through a combination of education and/or experience, save for those positions that absolutely require a degree to meet the requirements of professional certification.

5) Having no relevant degree or no experience in similar positions should still disqualify a candidate from applying for a position above entry level. The State must continue to competently provide public services to the People of Hawai'i and be good stewards of public funds. Entry-level positions serve well as training grounds for those without experience and degrees but higher-level positions should require experience or a degree to ensure continuity and professionalism.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M. D. GOVERNOR KE KIA'ĀINA

SYLVIA LUKE LT. GOVERNOR KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO DIRECTOR KA LUNA HO'OKELE

BRIAN K. FURUTO DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT KA 'OIHANA HO'OMŌHALA LIMAHANA

235 S. BERETANIA STREET HONOLULU, HAWAI'I 96813-2437

Statement of BRENNA H. HASHIMOTO

Director, Department of Human Resources Development

Before the HOUSE COMMITTEE ON FINANCE

Friday, March 28, 2025 2:00 PM State Capitol, Conference Room 308

In consideration of SB1065 SD2 HD1, Relating to Skills-Based Hiring

Chair Yamashita, Vice Chair Takenouchi, and the members of the committee.

The Department of Human Resources Development (HRD) offers the following comments on SB1065 SD2 HD1.

SB1065 SD2 HD1 prohibits the State and its departments, agencies, and political subdivisions from requiring a bachelor's degree as a condition of eligibility when hiring for a position in state or county employment, with certain exemptions, by adding a new section to Chapter 78, Hawai'i Revised Statutes.

HRD offers the following comments:

- Of the Executive Branch's 1458 civil service classes of work, none require a bachelor's degree as a condition of eligibility, unless prescribed by law. The minimum qualification requirements consistently allow for combinations of experience and education, as well as the ability to substitute relevant work experience for a degree as a standard.
- Minimum qualification (MQ) requirements for civil service classes are prepared in collaboration with all departments and include input from program managers, subject matter experts, and departmental human resources staff.

- In developing MQs, HRD adheres to the following policy requirements:
 - MQ requirements must be bona fide occupation requirements; qualifications must be essential and job-related.
 - MQ requirements should reflect the knowledge, skills, abilities, and competencies required to perform the work.
 - MQ requirements should not pose artificial barriers, such as absolute educational degree, certification, or other requirement, unless they are bona fide requirements (e.g., licensure required by law).
- HRD supports increasing the applicant pool with qualified candidates and appreciates incorporating skills-based qualifications where appropriate; however, it should not replace experience and education qualification requirements used in the current civil service position classification and broadband classification systems.
 - The current methods of qualifications are the foundation for various personnel actions, e.g., job placements, promotions, flexible hiring rates, and other qualification-based personnel actions.
 - Incorporating skills-based qualifications will take time and resources to review impacts and make changes to current procedures and practices.
 - Over 1,400 civil service classes of work need review and evaluation, and class specifications rewritten to incorporate skillsbased requirements, where appropriate.
 - Standards and valid assessment tests that comply with Uniform Guidelines on Employee Selection Procedures (1978) (UGESP) are needed to determine whether an individual has the abilities they claim to ensure qualified hires.

Position requirements, whether civil service or exempt from civil service, must be job-related, must not discriminate against job applicants and employees, meet legal requirements for the job, not pose artificial barriers, conform to the UGESP standards, and adhere to employment laws prohibiting discrimination.

HRD has started preliminary discussions with the University of Hawai'i (UH) at West O'ahu and the UH Community College System Office to develop pathways to State jobs. Prohibiting a bachelor's degree as a qualification, even with the

House Committee on Finance HRD Testimony on SB1065 SD2 HD1 March 28, 2025 Page 3 of 3

exception, may discourage and deter qualified candidates from pursuing a career in government and may in fact negatively impact UH enrollments.

- HRD supports developing various pathways into government service for individuals with diverse backgrounds and will continue our work to that end.
- There is a current effort (SB1567 SD1 HD1) to initiate a total review of the State's 1458 classes. Should this measure pass the legislature, HRD will work with the consultant to ensure that an individual's background and pathway, including their educational background, to a position with the State of Hawai'i is taken into consideration.

We are available for questions or further information as needed.



1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

March 28, 2025 2 p.m. Hawaii State Capitol Conference Room 308 and Videoconference

To: House Committee on Finance Rep. Kyle T. Yamashita, Chair Rep. Jenna Takenouchi, Vice Chair

From: Grassroot Institute of Hawaii **Ted Kefalas, Director of Strategic Campaigns**

RE: COMMENTS IN <u>SUPPORT</u> OF SB1065 SD2 HD1 — RELATING TO SKILLS-BASED HIRING

Aloha Chair Yamashita, Vice-Chair Takenouchi and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its support for SB1065 SD2 HD1, which would prohibit state agencies and departments from requiring a bachelor's degree as a condition of eligibility for a position in state employment unless "the knowledge, skills, or abilities required for the position ... can only reasonably be obtained" through a bachelor's degree.

A bachelor's degree is not necessary for many state jobs, even though it is often required. A degree may indicate a certain set of skills, but it is by no means the only indicator.

A study from the Burning Glass Institute and Harvard University researchers noted that "when employers drop degrees, they become more specific about skills in job postings, spelling out the soft skills that may have been assumed to come with a college education, such as writing, communication and being detail-oriented."1

Maryland, Utah, Pennsylvania, Alaska and many other states have enacted policies aimed at removing arbitrary degree requirements for state jobs. 2 Grassroot believes that Hawaii should follow their lead.

¹ Joseph Fuller, Christina Langer, Julia Nitschke, et al., "The Emerging Degree Reset: How the Shift to Skills-Based Hiring Holds the Keys to Growing the U.S. Workforce at a Time of Talent Shortage," Burning Glass Institute, 2022, p. 3.

² Kathryn Moody, "Pennsylvania ends 4-year degree requirement for majority of state jobs," HR Dive, Jan. 24, 2023; and Joey Klecka and Elena Symmes, "4-year degree no longer required for some state jobs," Alaska's New Source, Feb. 14, 2023.

For the record, the U.S. Census Bureau estimates that only about a third of Hawaii residents age 25 or older have bachelor's degrees.³

Similarly, the nonprofit Opportunity@Work reports that individuals who do not possess four-year bachelor degrees but who are "skilled through alternative routes" made up 59% of Hawaii's workforce in 2019, compared to 53% of the workforce nationwide.⁴

Given this data, it is clear that this measure would broaden employment opportunities for local residents.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

³ "QuickFacts: Hawaii," U.S. Census Bureau, accessed Feb. 4, 2025.

⁴ Communication with Ashley Edwards, Director for Data Services at Opportunity@Work, Aug. 17, 2022.

<u>SB-1065-HD-1</u> Submitted on: 3/25/2025 1:29:11 PM Testimony for FIN on 3/28/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael EKM Olderr	Individual	Support	Written Testimony Only

Comments:

I support this bill

Chair Kyle T. Yamashita, Vice Chair Jenna Takenouchi Committee on Finance

Hearing Date: Friday, March 28, 2025

Time: 2:00PM

Location: VIA VIDEOCONFERENCE

Conference Room 308

State Capitol

415 South Beretania Street

Re: SB1065 HD1 Relating to Skills-Based Hiring – IN SUPPORT

Aloha Chair Yamashita, Vice Chair Takenouchi, and Committee Members,

My name is Brianna Sookhoo, and I am writing in strong support of SB1065 SD2 HD1, which would prohibit blanket bachelor's degree requirements for state and county jobs unless such a degree is truly essential to the role.

As a graduate social work student at UH Manoa, I believe this bill is a crucial step toward creating a more equitable, inclusive, and effective public workforce in Hawai'i.

Too often, talented individuals with the skills, experience, and dedication needed to serve our communities are overlooked simply because they lack a degree. This not only limits opportunity for individuals, but also restricts the State's ability to fill critical vacancies and build a workforce that reflects the diversity and lived experience of Hawai'i's people.

Higher education has increasingly become a privilege that is not equally accessible to all. Furthermore, holding a degree alone does not necessarily reflect a person's full capabilities, especially when it comes to the real-world skills, cultural knowledge, and lived experience needed to serve Hawai'i's communities. SB1065 is a necessary step toward valuing talent over titles. It will help Hawai'i build a more responsive, diverse, and resilient public workforce.

I strongly encourage you to pass SB1065 SD2 HD1 to invest in a more equitable future for all.

Sincerely, Brianna Sookhoo Honolulu, Hawai'i

SB-1065-HD-1

Submitted on: 3/27/2025 6:04:24 PM

Testimony for FIN on 3/28/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

I am glad to see this bill continue to advance through the legislative process. This is a common sense bill that will help reduce vacancies plaguing state and county government while opening new opportunities to non-college education working-class individuals. Let's get this bill across the finish line!

SUPPORT THIS BILL!