Testimony Presented Before the
House Committee on Finance
Tuesday, February 27, 2024, at 2:00 p.m.
By
Debora Halbert, Vice President for Academic Strategy
University of Hawai'i System

HB 2196 HD1 – RELATING TO PUBLIC EMPLOYMENT

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to provide comments on HB 2196 HD1, relating to public employment, and specifically the removal of the requirement of a college degree for any state position, unless the degree is relevant to licensing or certification as it relates to the duties and responsibilities of the position or when the position in question requires specialized knowledge, skills, or subject-matter expertise relevant to the degree.

The University of Hawai'i (UH) appreciates our legislators' desire to reduce the number of vacant positions within state agencies and acknowledges there are undoubtedly certain government positions for which a college degree may not be an absolute necessity. At the same time, it is crucial to emphasize the importance of a college education in preparing individuals for the complex responsibilities of running state agencies. We support and welcome the additional clarification language in HD1, Section 2, "or when the position in question requires specialized knowledge, skills, or subject-matter expertise relevant to the degree," which broadens the range of possible state positions where a college degree is required and alleviates some of the concerns previously raised in the original measure, which would have narrowly restricted state agencies that need those with college degrees.

In the current landscape, the responsibilities of state agencies have become increasingly sophisticated and multifaceted. While some positions may not explicitly require a college degree, most skills essential for effectively managing state agencies are acquired through higher education. Fortunately, despite the impact of the coronavirus pandemic, the percentage of Hawai'i's working-age adults who possess a post-secondary degree has risen from 41% in 2005 to 48% in 2022, expanding the pool of college graduates available to pursue state employment. Our comments highlight the broader value of a college degree in cultivating the skills and knowledge necessary for effective public service, and we hope this proposed legislation will consider the overarching role of education in shaping individuals who are equipped to handle the challenges inherent in public administration.

Examples from existing state agencies further underscore the significance of a college degree in performing job functions effectively. Consider the role of a program or construction manager responsible for overseeing complex initiatives within a state agency. Although a license or certification is optional, state agencies should be able to require architects to possess a degree in engineering or a related field. The same should be said for an auditor or fiscal specialist, where state agencies should be able to require a degree in accounting, business, or a related field. A college education provides individuals with critical thinking, problem-solving, and analytical skills indispensable in strategizing and executing successful programs.

Moreover, a comprehensive understanding of public policy, budgeting, and organizational behavior, often acquired through college coursework, is instrumental in navigating the intricate landscape of state governance. Similarly, while some positions may not necessitate a degree within law enforcement agencies, those with a college education often demonstrate more advanced communication skills, cultural competence, and the ability to comprehend and apply evolving legal frameworks. These attributes contribute significantly to the effectiveness and accountability of state law enforcement.

In the health services field, professionals with college degrees are better equipped to comprehend the complexities of healthcare policy, epidemiology, and public health management. This understanding is vital for making informed decisions that impact the community's well-being.

At the University of Hawai'i, certification or licensure is not required for most faculty. However, in most cases it is essential to possess a degree at the Master's level or higher, as faculty are expected to be experts in their fields of study, with the intent to pass along critical knowledge through teaching, research, and service, to future college-level learners, exposing them to the academic rigor of which they have first-hand knowledge.

In conclusion, we urge the committee to carefully consider the broader implications of removing the college degree requirement for state positions. For example, one can foresee state agencies needing to invest more in training and development programs to ensure that employees without degrees possess the skills to execute their duties effectively. Removing degree requirements may also result in the loss of individuals with specialized expertise, potentially harming the operational effectiveness of the employing agency. While acknowledging the flexibility needed to fill particular vacancies, it is essential to recognize that education plays a pivotal role in developing the skill set required to navigate the intricate responsibilities of public service. Our office strongly supports the pursuit of policies that enhance the qualifications and capabilities of individuals serving the state, ultimately contributing to the efficiency and effectiveness of our state agencies.

Thank you for the opportunity to provide comments and we are available to provide any additional information or clarification if needed.

JOSH GREEN, M.D.

SYLVIA LUKE LIEUTENANT GOVERNOR P O DED SOUTH

LUIS P. SALAVERIA

SABRINA NASIR DEPUTY DIRECTOR

OFFICE OF FEDERAL AWARDS MANAGEMENT

STATE OF HAWAI'I

DEPARTMENT OF BUDGET AND FINANCE

Ka 'Oihana Mālama Mo'ohelu a Kālā

BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION

FINANCIAL ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION

FINANCIAL ADMINISTRATION DIVISION

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND OFFICE OF THE PUBLIC DEFENDER

Ka 'Oihana Mālama Mo'ohelu a Kālā P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2196, H.D. 1

February 27, 2024 2:00 p.m. Room 308 and Videoconference

RELATING TO PUBLIC EMPLOYMENT

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

House Bill No. 2196, H.D. 1 adds a new section to Chapter 78, HRS, to prohibit any department or agency of the State from requiring a college degree as a requirement for employment of any State position, unless the degree is relevant to licensing or certification pertaining to the position or when the position in question requires specialized knowledge, skills, or subject-matter expertise relevant to the degree.

Although B&F generally supports initiatives to enhance the State's recruitment efforts, it should be noted that the possession of a college degree continues to be one of the most important signifiers that a job candidate has the professional-level comprehension and writing skills needed to conduct State business. Furthermore, the proposed blanket prohibition on degree requirements may be impractical for certain job classifications and should be carefully considered with respect to each department's recruiting needs.

Finally, B&F defers to the Department of Human Resources Development on the merits and implementation of this bill as it pertains to State human resources policy.

Thank you for your consideration of our comments.

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

SYLVIA LUKE LT. GOVERNOR KA HOPE KIA'ĀINA



BRENNA H. HASHIMOTO DIRECTOR KA LUNA HO'OKELE

RYAN YAMANE 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

Tuesday, February 27, 2024 2:00PM State Capitol, Conference Room 308

In consideration of HB2196 HD1, RELATING TO PUBLIC EMPLOYMENT

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

The Department of Human Resources Development (DHRD) appreciates the intent of HB2196 HD1, which seeks to remove the requirement of a college degree for any state position, unless the degree is relevant to licensing or certification as it relates to the duties and responsibilities of the position or when the position requires specialized knowledge, skills, or subject-matter expertise relevant to the degree.

DHRD offers the following comments on this measure:

- 1. DHRD recently completed a review of classes of work in the professional and scientific bargaining unit 13 and excluded managerial compensation plan to confirm that there are no classes of work that require an absolute degree, 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.
- 2. The minimum qualification requirements are prepared with input from program managers, subject matter experts and departmental human resources staff. DHRD follows the policy requirements:
 - a. Minimum qualification requirements must be bona fide occupation requirements, that is, they must be essential and job-related.
 - b. Minimum qualification requirements should reflect the knowledge, skills, abilities, and competencies required to perform the work.

AN EQUAL OPPORTUNITY AGENCY

c. Minimum qualification 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).

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



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

Removing barriers to Hawaii's prosperity

Feb. 27, 2024, 2 p.m. Hawaii State Capitol Conference Room 308 and Videoconference

To: House Committee on Finance Rep. Kyle T. Yamashita, Chair Rep. Lisa Kitagawa, Vice-Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

TESTIMONY IN SUPPORT OF HB2196 HD1 — RELATING TO PUBLIC EMPLOYMENT

Aloha Chair Yamashita, Vice-Chair Kitagawa and members,

The Grassroot Institute of Hawaii would like to offer its <u>support</u> for <u>HB2196 HD1</u>, which would prohibit a state agency from requiring a college degree for any position unless the degree is relevant to licensing or certification relating to that position, or if the position requires specialized knowledge, skills or subject matter expertise relevant to the degree.

This bill has the potential to help fill state vacancies and assist residents in obtaining employment. However, the addition of language stating that a degree may be required, "when the position in question requires specialized knowledge, skills, or subject-matter expertise relevant to the degree," has the potential to create confusion and undermine the intent of the bill.

A degree will nearly always include access to specialized knowledge and skills, but it does not follow that it will be the only way to acquire them. Thus, the vague wording may cause a cautious agency to maintain degree requirements even where they might not be necessary.

We suggest a minor alteration that would preserve the intent of the amendment and the original bill by instead specifying that a degree might also be required "when the position in question requires specialized knowledge, skills, or subject-matter expertise that can be obtained only through a college degree."

By making this change, the Committee could ensure that degree requirements would not accidentally exclude applicants who have obtained necessary skills or expertise via experience rather than a degree.

This is especially important as the intent of this bill is to eliminate unnecessary barriers to employment for those who possess the required skills for a position but lack a college 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 all enacted policies aimed at removing arbitrary degree requirements for state jobs.² Hawaii should follow their lead.

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 HB2196 HD1 — especially our proposed new language — would broaden employment opportunities for local residents.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

¹ Joseph Fuller, Christina Langer, Julia Nitschke, Layla O'Kane, Matt Sigelman and Bledi Taska, "<u>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</u>," Burning Glass Institute, 2022, p. 3.

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

³ "QuickFacts: Hawaii," U.S. Census Bureau, accessed March 20, 2023.

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