

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

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

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
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 COMMITTEES ON

**GOVERNMENT OPERATIONS
LABOR AND TECHNOLOGY**

FEBRUARY 6, 2024, 3:05 P.M.
CONFERENCE ROOM 225 AND VIA VIDEOCONFERENCE, STATE CAPITOL

S.B. 1065

RELATING TO RELATING TO SKILLS-BASED HIRING

Chairs McKelvey and Aquino, Vice Chairs Gabbard and Lee, and Members of the Committees, thank you for the opportunity to submit testimony on S.B. 1065.

The Department of Accounting and General Services (DAGS) **supports** 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'AINA

SYLVIA LUKE
LT. GOVERNOR
KA HOPE KIA'AINA



BRENNA H. HASHIMOTO
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STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
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Statement of
BRENNA H. HASHIMOTO
Director, Department of Human Resources Development

Before the
SENATE COMMITTEE ON LABOR AND TECHNOLOGY
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Thursday, February 6, 2025

3:05 PM

State Capitol, Conference Room 225

In consideration of
SB 1065, Relating to Skills-Based Hiring

Chair Aquino, Chair McKelvey, and members of the Committee on Labor and Technology and Committee on Government Operations:

The Department of Human Resources Development (HRD) offers the following comments on SB 1065.

SB 1065 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 employment, with certain exemptions, by adding a new section to Chapter 78, Hawai'i Revised Statutes.

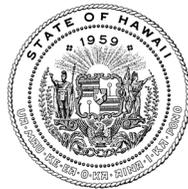
HRD offers the following comments:

- Of the State of Hawai'i'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 MQ's, 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 skills-based 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, do not pose artificial barriers, conform to the Uniform Guidelines on Employee Selection Procedures (1978) and employment laws prohibiting discrimination.

- HRD has started preliminary discussions with the University of Hawai'i at West Oahu and the UH Community College System Office to develop pathways to State jobs. Prohibiting a bachelor's degree as a qualification, even with the 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 (SB 1567) to initiate a total review of the State's 1458 classes. Should this measure pass the legislature, HRD will work with the consultant that is ultimately hired for this work 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.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

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

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

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON LABOR AND TECHNOLOGY
AND GOVERNMENT OPERATIONS
ON
SENATE BILL NO. 1065

February 6, 2025
3:05 p.m.
Room 225 and Videoconference

RELATING TO SKILLS-BASED HIRING

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

Senate Bill No. 1065 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 significant 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.

Feb. 6, 2025 3:05 p.m.
Hawaii State Capitol
Conference Room 225 and Videoconference

To: Senate Committee on Government Operations

Sen. Angus McKelvey, Chair
Sen. Mike Gabbard, Vice Chair

Senate Committee on Labor and Technology

Sen. Henry Aquino, Chair
Sen. Chris Lee, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS IN SUPPORT OF SB1065 — RELATING TO SKILLS-BASED HIRING

Aloha Chairs, Vice-Chairs and other members of the Committees,

The Grassroot Institute of Hawaii would like to offer its support for [SB1065](#), 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

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.

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.

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

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.

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.

SB-1065

Submitted on: 1/31/2025 1:03:34 PM

Testimony for LBT on 2/6/2025 3:05:00 PM

Submitted By	Organization	Testifier Position	Testify
B Smith	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill because many state employees, despite not having a bachelor's degree, have proven their qualifications for higher positions through their experience, merit, and strong work ethic. Unfortunately, because the minimum qualification for promotion often requires a degree, these employees are overlooked and unable to advance in their careers. On the other hand, someone with a degree but little experience in the State system may face a steep learning curve when stepping into a new role, making it harder for them to meet the position's demands.

Thank you for the opportunity to testify.

SB-1065

Submitted on: 1/31/2025 7:25:51 PM

Testimony for LBT on 2/6/2025 3:05:00 PM

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

Comments:

Aloha Committee Members,

This proposal will **DIRECTLY BENEFIT** numerous working- and middle-class individuals who might not have had the opportunity to attend a four year educational institution. We must provide more opportunity for those without college education. I strongly urge this Committee to **SUPPORT** this bill!

SB-1065

Submitted on: 1/31/2025 3:00:38 PM

Testimony for LBT on 2/6/2025 3:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Victor K. Ramos	Individual	Support	Written Testimony Only

Comments:

I STRONGLY support this proposal. I think you will find that more people will apply for said positions once this arbitrary "hurdle" is removed.