S.B. NO. 2886

JAN 1 9 2024

### A BILL FOR AN ACT

RELATING TO STATE EMPLOYMENT.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that a 2017 study from 2 the Harvard Business School found that sixty-one per cent of 3 hiring managers rejected candidates who "have skills and 4 experience to be successful in a middle-skills job" but lacked a 5 four-year college degree. The study also found widespread 6 evidence of a "degree gap", or the discrepancy between the 7 percentage of job postings that require a college degree and the 8 percentage of current employees who have a college degree, and 9 that positions with higher degree gaps were harder to fill. 10 The legislature further finds that in late 2020, the

Business Roundtable announced an initiative among more than eighty large employers to place greater emphasis on skills in hiring. Skills-based hiring has gained significant traction in both public and private sectors, mainly through the removal of college degree requirements from hiring practices, sometimes called "tearing the paper ceiling". Major companies such as IBM, Delta Airlines, Google, and Bank of America have all



1

S.B. NO. 2886

removed college degree requirements. A 2023 survey found that
fifty-three per cent of hiring managers say their company
eliminated a requirement for bachelor's degrees for some roles
within the past year.

5 The legislature further finds that the department of human 6 resources development reported that there has been an increase 7 in vacant positions within state agencies over the past four 8 years, showing the vacancy rate has climbed from eighteen per 9 cent in 2019 shortly before the coronavirus disease 2019 10 pandemic to twenty-seven per cent in 2023. The department of human resources development also reported that thirty per cent 11 of existing state civil service employees will be eligible to 12 13 retire within five years. The legislature finds that through a 14 mix of executive and legislative actions, at least sixteen 15 states no longer require a four-year degree for most state jobs 16 as of October 2023.

Accordingly, the purpose of this Act is to prohibit the State or any of its branches, political subdivisions, or agencies from requiring a bachelor's degree as a condition of eligibility for hire to a position in state employment.



Page 2

2

# S.B. NO. 2-886

1	SECTION 2. Chapter 78, Hawaii Revised Statutes, is amended
2	by adding a new section to be appropriately designated and to
3	read as follows:
4	" <u>§78-</u> Bachelor's degree requirements for state
5	employment; prohibition. (a) The State or any of its branches,
6	political subdivisions, or agencies shall not require a
7	bachelor's degree as a condition of eligibility for hire to a
.8	position in state employment.
9	(b) Subsection (a) shall not apply if the knowledge,
10	skills, or abilities required for the position for which an
11	applicant is applying can only reasonably be obtained, as
12	determined by the appointing authority, through a course of
13	study in pursuit of, and culminating in the award of, a
14	bachelor's degree."
15	SECTION 3. New statutory material is underscored.
16	SECTION 4. This Act shall take effect upon its approval.
17	INTRODUCED BY:



## S.B. NO. 2886

#### Report Title:

State Employees; Bachelor's Degree; Requirement; Prohibition; Exemption

#### Description:

Prohibits the State or any of its branches, political subdivisions, or agencies from requiring a bachelor's degree as a condition of eligibility for hire to a position in state employment. Establishes exemptions.

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