

Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF SENATE BILL 66:

Labor and Employment - Hiring - Education Requirements (Give Me A Chance - Job Opportunities Act of 2022)

TO: Hon. Delores Kelley, Chair, and Members of the Senate Finance Committee

FROM: Christopher Dews, Senior Policy Advocate

DATE: January 27th, 2022

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-skill, low-wage workers and job seekers in Maryland. We support Senate Bill 66 as a means of ensuring that qualified applicants are not denied access to employment based on biased credentialing.

According to a recent Wallethub Study, <u>Maryland ranks #2 in the nation</u>, second only to Massachusetts, for the most well-educated populace. Amongst Maryland workers over the age of 25, <u>roughly 40% have at least a bachelor's degree</u> and 17% have obtained a professional or graduate degree. Though this number is quite stellar when compared with other states, it comes with many statistical downsides. The most notable is that 60% of Marylanders, over half of the state, do not have a bachelor's degree.

Due to the oversaturation of college degrees in Maryland, employers tend to use this credential as a screening tool when looking to hire new talent. Thanks to modern breakthroughs in technology, websites like ZipRecruiter and Indeed are the mainstay methods that employers and hiring managers use to search for their ideal candidates. These websites use "matching technology," or complex algorithms to sift through thousands of applications to find the ones that most closely align with the job description. As these algorithms are designed to sort out applications, they incidentally discriminate against qualified applicants unnecessarily.

According to <u>Opportunity@Work</u>, an economic thinktank that has <u>studied this issue</u> extensively, nearly 80% of Latinx workers, almost 70% of black workers, and more than 70% of rural workers are <u>screened</u> <u>out of the application process</u> entirely by bachelor's degree requirements. As an example, suppose an employer is looking to hire a training coordinator for a workforce development program. Candidate X has 25-years of experience working as a job developer for a non-profit that does skills training but never finished college. Candidate Y is 25 years old, just graduated from college with a degree in sociology, and is looking for work. Though both could do the job, the algorithms for the aforementioned recruitment tools would ignore Candidate X because of the arbitrary assumption that those without degrees are not qualified.

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This is especially true for experienced workers shifting careers to different companies in similar sectors. Many are finding their work experience discounted on both applications and in the interview process due to a lack of a requisite degree. This, of course, bewilders the more experienced workers as not too long ago the position that they may be applying for didn't require a degree. Or worse, they pursued a promotion at their current employer- expecting their loyalty to the company to profit them- only to be turned down for the position because the job posting expressly requested someone with a 4-year degree. The Bureau of Labor Statistics reports that from 2007 to 2016, <u>74% of new jobs</u> were in occupations where employers required a 4-year college degree, despite many employees holding similar positions not having one. This also means that for employers, only 38-41% of Maryland workers will be eligible for 74% of the new jobs created. College-degree discrimination has become so widespread that many take it for granted.

As stated in a <u>recent article</u> documenting this issue: "Requiring a medical degree to treat patients or a civil engineering degree to design a bridge is common sense. By contrast, requiring a generic college degree to be considered for jobs such as office manager, sales representative, digital marketer or data-center technician may be common, but it makes no sense."

Senate Bill 66 seeks to address this issue by prohibiting an employer from asking about an applicant's educational attainment at any point during the hiring process. Though JOTF is a staunch supporter of improved access to higher education for lower-income workers, we acknowledge that disqualifying approximately 60% of Maryland's workforce unnecessarily during these strange economic times, is wholly unwise. JOTF's mission has always been to improve employment opportunities for all Marylanders and we see Senate Bill 66 as a step in the right direction. For these reasons, we urge a favorable report with the amendments below.

We understand that the language of the bill has been altered from last year's <u>SB191</u> and would like to see the original language returned. We have also attached <u>amended language</u> to our testimony.