

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB1611 **Patron:** Cole
Bill Title: Direct experience recruitment policy; DHRM to develop a statewide policy.

Bill Summary: Requires the Department of Human Resource Management to develop a statewide direct experience recruitment policy designed to provide guidance to state agencies on how to remove postsecondary degree requirements from hiring considerations, defined in the bill. The bill prohibits state agencies from rejecting applicants for job positions solely on the basis of the applicant lacking a postsecondary degree unless the agency substantiates in the job posting and to the Department the necessity of including a postsecondary degree as a baseline requirement, defined in the bill. Finally, the bill requires each state agency to provide a detailed quarterly report to the Department regarding the baseline requirements of its job postings.

Budget Amendment Necessary: Yes. **Items Impacted:** 74

Explanation: The Department of Human Resource Management expects it will need to hire one full-time equivalent to review a quarterly report, containing detailed information for each job posting and position filled, to be submitted by each state agency.

Fiscal Summary: The bill requires the Department of Human Resource Management (DHRM) to review every agency quarterly report, which includes every open job posting, including the baseline requirements and hiring considerations, and every job position filled within the last quarterly report. In addition, any agency that requests an exception to the degree requirement will be required to submit to DHRM written evidence to substantiate their request for an exception, which DHRM will need to review, approve, and validate.

Based on these new requirements, DHRM expects it will need one full-time equivalent (FTE) to support its Talent Management team. The average cost of the position, including salary and benefits, is \$125,000.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DHRM	\$0	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
TOTAL	\$0	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000

Position Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DHRM	0.00	1.00	1.00	1.00	1.00	1.00
TOTAL	0.00	1.00	1.00	1.00	1.00	1.00

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Fiscal Analysis: State agencies average over 16,000 positions recruited each year. Because of the large number of positions recruited each year, DHRM expects it will need one FTE to support its Talent Management team in order to fulfill the requirements of this bill.

Other: This bill is a companion to HB 2572.