

BILL ANALYSIS

Senate Research Center
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H.B. 3923
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to the Comptroller of Public Accounts of the State of Texas (comptroller), state government positions require a greater share of workers with a post-secondary degree than the total Texas jobs market, with about 35 percent of state government jobs typically requiring a bachelor's degree, compared to about 28 percent for all nonfarm jobs in Texas. Also according to the comptroller, the state faces stiff competition with positions that require bachelor's and postgraduate degrees exacerbated by significantly lower pay for similar work in comparison to private employers. The bill author has informed the committee that this pay disparity makes it increasingly difficult to attract and retain qualified talent in the public sector. According to the National Governors Association, over half of U.S. state governments have adopted policies encouraging skills-based hiring, including eliminating degree requirements for many job postings, with these states seeing faster growth in job postings that don't require degrees compared to states without such policies, which helped the states address talent shortages, diversify their workforce, and improve hiring outcomes. H.B. 3923 seeks to modernize state hiring practices by requiring the classification officer in the State Auditor's Office to, among other things, reduce to the extent practicable the number of state agency positions requiring an employee to hold a bachelor's degree as a condition of employment in order to shift towards a skills-based hiring model to help strengthen the state workforce, improve recruitment, and promote upward mobility for all Texans.

H.B. 3923 amends current law relating to state employment opportunities for individuals who do not hold a bachelor's degree.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 654.037, Government Code, by adding Subsection (e), as follows:

(e) Requires the classification officer to:

- (1) identify state agency positions for which the educational, experience, and training requirements could be reduced to increase the number of qualified applicants who could proficiently perform the positions;
- (2) reduce to the extent practicable the number of state agency positions requiring an employee to hold a bachelor's degree as a condition of employment;
- (3) evaluate ways to expand career advancement opportunities for state agency employees who do not hold a bachelor's degree; and
- (4) report the information gathered as required by this subsection to the governor's budget office and the Legislative Budget Board (LBB) in the time required by Subsection (a)(2) (relating to requiring the classification officer to report certain

information to the governor's budget office and the LBB not later than October 1 preceding each regular session of the legislature).

SECTION 2. Effective date: September 1, 2025.