

SUBJECT: Employment, higher education, and state contracts for veterans

COMMITTEE: Defense and Veterans' Affairs — favorable, without amendment

VOTE: 5 ayes — Menéndez, R. Sheffield, Collier, R. Miller, Moody

2 nays — Frank, Schaefer

2 absent — Farias, Zedler

SENATE VOTE: On final passage, April 18 — 30-0

WITNESSES: (*On House companion, HB 3545*)
For — None

Against — (*Registered, but did not testify*: Brent Connett, Texas
Conservative Coalition)

On — Thomas Palladino, Texas Veterans Commission

BACKGROUND: Government Code, ch. 657 establishes employment preferences for competent, honorably discharged veterans who have served at least 90 consecutive days during a national emergency or who were honorably discharged because of a recognized service-connected disability.

The preference also extends to the orphan or the surviving spouse who has not remarried of a veteran who was killed during active duty and had served at least 90 consecutive days during a national emergency.

Under sec. 657.003, if someone eligible for the veteran's employment preference seeks work or appointment to a public work or public entity — a department, commission, board, or agency — the person is entitled to preference in employment over other applicants who are not more qualified for the position.

Under sec. 657.004, the person in charge of hiring for a public entity or public work is required to give preference in hiring to those eligible for the veteran's employment preference so that at least 40 percent of the

employees are those eligible for the preference.

The Texas Council on Purchasing from People with Disabilities oversees a set-aside purchasing program under which state agencies must buy goods and services made by people with disabilities, as long as the items meet agency specifications and have a fair market price. Its purpose is to promote personal growth and independence for the disabled while providing state government with reasonably priced goods and services.

The 82nd Legislature in 2011 enacted SB 1736 by Van de Putte to form the College Credit for Heroes program, which offers veterans credit from higher education institutions for their skills and experience.

DIGEST:

SB 10 would make changes to the state's veteran's employment preference and hiring policies.

Veteran's employment preference. The bill would amend Government Code, sec. 657.002 to make eligible for the state's veteran's employment preference any honorably discharged veteran of the U.S. or state military.

A surviving spouse who had not remarried or the orphan of a veteran killed while on active duty also would qualify for the employment preference.

State agency hiring requirements. SB 10 would replace "public entity or public work" with the term "state agency" and would give a qualifying veteran, spouse, or orphan preference for state agency employment over other applicants.

Unless an insufficient number of persons entitled to a veteran's employment preference applied for an open agency position, a state agency that had not already selected at least 40 percent of its workforce from persons who qualified for the preference would be required to interview the greater of:

- one person entitled to the preference; or
- a number of persons entitled to the preference equal to 20 percent of the total number of people interviewed for the position.

A state agency would be able to designate an open position as a veterans position and accept applications only from people who qualified for the

employment preference.

Immediate hiring. A state agency that had not selected at least 40 percent of its workforce from persons who qualified for the preference could hire for an open position a person entitled to the preference without announcing or advertising the position if the agency determined the person met the job qualifications and used the commission's employment website to identify a person who qualified for the preference.

Veterans' liaison. The bill would require a state agency with more than 500 full-time-equivalent positions to designate a person as its veterans' liaison.

Council on Purchasing program participation. SB 10 would add a service-disabled veteran-owned business to the list of entities that qualified as a community rehabilitation program under the state's Council on Purchasing From People With Disabilities.

College Credit for Heroes program. The bill would make permanent the College Credit for Heroes program and require the Texas Workforce Commission to report annually by November 1 to the Legislature and the governor on:

- the results of any program grants awarded;
- the best practices for veterans and military service-members to achieve maximum academic or workforce education credit at higher education institutions for experience, education, and training obtained during military service;
- measures needed to facilitate the award of academic or workforce education credit by higher education institutions for experience, education, and training obtained during military service; and
- other measures to help the entry of trained, qualified veterans and military service-members into the workforce.

The bill would repeal sections of Government Code, ch. 657 that currently place conditions on the state's veteran's employment preference under certain circumstances.

The bill would take effect September 1, 2013, and would apply to an open position with a state agency for which applications were accepted on or after that date.

**SUPPORTERS
SAY:**

SB 10 would help U.S. military veterans connect to jobs, improve their opportunities, and use their skills to achieve higher education credits through a set of provisions that honor those who served their country in the military.

Although Texas offers employment and educational help to its veterans, there is a great need to do more. The U.S. Bureau of Labor Statistics reported an unemployment rate of 9.9 percent in March 2013 for veterans who had served on active duty at any time since September 2001. The national jobless rate for the same period was 7.7 percent. In 2012, the comptroller reported that veterans made up just 5 percent of all state employees.

The bill would help Texas reduce this disparity by allowing state agencies to hire veterans directly through the Texas Workforce Commission's system. It also would promote a greater awareness of the skills veterans bring with them by requiring state agencies to ensure that veterans made up at least 20 percent of their interview pools. In addition, the state's larger agencies would include a liaison who specialized in outreach to veterans, which is critical given that two recent wars have yielded a new wave of service-members looking to transition to civilian employment.

The bill also would increase the ability of disabled veteran-owned businesses to compete for state contracts by making them eligible for the state's Council on Purchasing From People with Disabilities. Allowing these veterans into the procurement program would increase their ability to grow as entrepreneurs and to hire additional staff. This kind of economic development is key for communities and would generate revenues that benefit the state.

Making permanent the College Credit for Heroes program would help veterans receive educational credit for the skills and knowledge they developed in the military. The bill would help to prepare veterans for academic and professional success.

**OPPONENTS
SAY:**

SB 10 would provide an unfair advantage to veterans with regard to others seeking employment at state agencies, including candidates who might have stronger job qualifications. This is not necessary given the state's variety of programs targeted to helping former members of the military obtain employment and receive financial aid for higher education. The

Texas Veterans Commission already has a robust set of employment programs to help those who served in the military, and the Hazlewood Act benefit already provides qualifying veterans and their children an exemption on tuition and related fees at higher education institutions, which helps them parlay their skill sets into college degrees.