Senate Research Center   S.B. 10
83R12115 YDB-F   By: Van de Putte
                                          Veteran Affairs & Military Installations
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 10, the Veterans' Employment and Business Opportunity Act, consists of three distinct sections that are designed to improve the employment and business opportunity of veterans: employment at state agencies; purchasing and contracting with state agencies; and removing the "demonstration" status of the College Credit for Heroes program.

Currently, the Office of the Comptroller of Public Accounts produces an annual report detailing the number of veteran employees at all state agencies. In 2012, only five percent of all state employees were veterans, compared to nearly 20 percent of federal employees. S.B. 10 allows direct hiring of veterans by agencies through the Texas Workforce Commission's automated system, requires agencies to have at least 25 percent of their interview pool be veterans, and requires agencies with more than 500 FTEs to have a designated veteran liaison.

S.B. 10 increases the ability of disabled veteran-owned businesses to compete for state contracts by including disabled veteran-owned businesses in those eligible for contracting with the Texas Council on Purchasing From People With Disabilities.

Current law provides for a college credit "demonstration" program operated by the Texas Workforce Commission. S.B. 10 makes the College Credit for Heroes program permanent, helping to ensure that veterans will have an expedited path to civilian professional certifications by maximizing college credit received as a result of military training and experience.

As proposed, S.B. 10 amends current law relating to employment, higher education, and state purchasing programs for veterans.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 7 (Section 657.009, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Authorizes this Act to be cited as the Veterans' Employment and Business Opportunity Act.

SECTION 2. Amends Section 657.001, Government Code, as follows:

> Sec. 657.001. DEFINITIONS. Defines "disabled veteran," "state agency," and "veteran" for this chapter. Deletes existing definitions for "established service-connected disability" and "public entity" for this chapter.

SECTION 3. Amends Section 657.002, Government Code, as follows:

> Sec. 657.002. New heading: INDIVIDUALS QUALIFIED FOR VETERAN'S EMPLOYMENT PREFERENCE. Provides that the following individuals qualify for a veteran's employment preference: a veteran; a veteran's surviving spouse who has not remarried, if the veteran was killed while on active duty; and an orphan of a veteran if the veteran was killed while on active duty. Deletes existing text providing that a veteran

qualifies for a veteran's employment preference if the veteran served in the military for not less than 90 consecutive days during a national emergency declared in accordance with federal law or was discharged from military service for an established service-connected disability; was honorably discharged from military service; and is competent. Deletes existing text providing that a veteran's surviving spouse who has not remarried or an orphan of a veteran qualifies for a veteran's employment preference if the veteran served in the military for not less than 90 consecutive days during a national emergency declared in accordance with federal law and the spouse or orphan is competent. Deletes existing definition for "veteran" for this section.

SECTION 4. Amends Sections 657.003(a), (c), and (d), Government Code, as follows:

(a) Changes references to a public entity or a public work of this state to a state agency. Entitles an individual who qualifies for a veteran's employment preference to a preference in employment with or appointment to a state agency over other applicants for the same position, rather than other applicants for the same position who do not have a greater qualification.

(c) Changes references to a public entity or a public work of this state to a state agency. Provides that a disabled veteran, rather than an individual who has an established service-connected disability, is entitled to have a service credit of five additional points added to the individual's test score.

(d) Changes references to a public entity or a public work of this state to a state agency.

SECTION 5. Amends Section 657.004, Government Code, as follows:

Sec. 657.004. New heading: VETERAN'S PREFERENCE REQUIRED FOR STATE AGENCIES. (a) Requires a state agency, rather than an individual whose duty is to appoint or employ individuals for a public entity or public work of this state, to give preference in hiring to individuals entitled to a veteran's employment preference until at least 40 percent of the employees of the state agency, rather than public entity or public work, are selected from individuals given that preference. Makes a nonsubstantive change.

(b) Requires a state agency that does not have 40 percent of its employees who are entitled to the veteran's employment preference, unless an insufficient number of individuals entitled to a veteran's employment preference apply for an open agency position, to, for each announced open position at the agency interview the greater of one individual entitled to a veteran's employment preference or a number of individuals entitled to a veteran's employment preference equal to 20 percent of the total number of individuals interviewed for the position, rather than requiring a public entity or public work that does not have 40 percent of its employees who are entitled to the preference to, in filling vacancies, give preference to individuals entitled to a veteran's employment preference until it does have at least 40 percent of its employees who are entitled to the preference.

(c) Authorizes a state agency to designate an open position as a veterans position and accept applications for the position only from individuals eligible for the preferences granted under this chapter. Deletes existing text requiring a public entity or public work, when possible, to give 10 percent of the preferences granted under this chapter to qualified veterans discharged from the armed services of the United States within the preceding 18 months.

(d) Requires a state agency with more than 500 full-time equivalent positions to designate an individual from the agency to serve as a veterans liaison within the agency. Deletes existing text providing that a public entity or public work that has at least 40 percent of its employees who are entitled to the preference is exempt from the requirements of Section 657.005 (Employment Investigation).

SECTION 6. Amends Chapter 657, Government Code, by adding Section 657.0045, as follows:

Sec. 657.0045. IMMEDIATE HIRING OF INDIVIDUAL ENTITLED TO VETERAN'S PREFERENCE. Authorizes a state agency that has not reached the employment percentage required under Section 657.004, notwithstanding any other law, to hire for an open position within the agency an individual entitled to a veteran's employment preference under that section without announcing or advertising the position if the agency uses the Texas Workforce Commission's (TWC) employment Internet website to identify an individual who qualifies for a veteran's employment preference under this chapter and determines the individual meets the qualifications required for the position.

SECTION 7. Amends Sections 657.006, 657.007, 657.008, 657.009, and 657.010, Government Code, as follows:

Sec. 657.006. FEDERAL LAW AND GRANTS. Changes a reference to a public entity to a state agency.

Sec. 657.007. PREFERENCE APPLICABLE TO REDUCTION IN WORKFORCE. (a)-(b) Changes references to a public entity to a state agency.

Sec. 657.008. REPORTING REQUIREMENTS. (a) Changes references to a public entity to a state agency.

(b) Requires the comptroller of public accounts of the State of Texas (comptroller), not later than December 1 of each year, rather than annually, to file with the legislature a report that compiles and analyzes information that the comptroller receives from state agencies, rather than public entities, under Subsection (a).

Sec. 657.009. New heading: STATE AGENCIES TO LIST POSITIONS WITH TEXAS WORKFORCE COMMISSION. (a) Requires a state agency, rather than a public entity, to provide to TWC, under rules adopted under this section by TWC, information regarding an open position that is subject to the hiring preference required by this chapter.

(b) Makes a conforming change.

(c) Requires TWC, to promote the purposes of this chapter, to adopt rules under this section that facilitate the exchange of employment information between state agencies, rather than public entities, and individuals entitled to a preference under this chapter.

(d) Makes no changes to this subsection.

Sec. 657.010. COMPLAINT REGARDING EMPLOYMENT DECISION OF STATE AGENCY. (a) Authorizes an individual entitled to a veteran's employment preference under this chapter who is aggrieved by a decision of a state agency to which this chapter applies relating to hiring the individual, or relating to retaining the individual if the state agency reduces its work force, rather than an individual entitled to a veteran's employment preference under this chapter who is aggrieved by a decision of a public entity or public work of this state to which this chapter applies relating to hiring the individual, or relating to retaining the individual if the entity or work reduces its workforce, to appeal the decision by filing a written complaint with the governing body of the state agency under this section. Makes a conforming change.

(b) Makes a conforming change.

SECTION 8. Amends Section 122.002, Human Resources Code, by amending Subdivisions (3) and (5) and adding Subdivision (6), to redefine "community rehabilitation program" and "disability" and define "service-disable veteran" for this section.

SECTION 9.   Amends Section 302.0031, Labor Code, by amending Subsection (b) and adding Subsection (g), as follows:

(b) Requires TWC to establish and administer the College Credit for Heroes program, rather than the College Credit for Heroes demonstration program, to identify, develop, and support methods to maximize academic or workforce education credit awarded by institutions of higher education to veterans and military servicemembers for military experience, education, and training obtained during military service in order to expedite the entry of veterans and military servicemembers into the workforce.

(g) Requires TWC, not later than November 1 of each year, after consultation with the Texas Higher Education Coordinating Board, to report to the legislature and the governor on the results of any grants awarded under this section; the best practices for veterans and military servicemembers to achieve maximum academic or workforce education credit at institutions of higher education for military experience, education, and training obtained during military service; measures needed to facilitate the award of academic or workforce education credit by institutions of higher education for military experience, education, and training obtained during military service; and other related measures needed to facilitate the entry of trained, qualified veterans and military servicemembers into the workforce.

SECTION 10.   Repealers: Sections 657.003(b) (relating to an individual who is entitled to preference for employment in a position where a competitive examination is not required) and (e) (relating to this chapter not applying to certain positions or persons), Government Code.

Repealer: Section 657.005 (Employment Investigation), Government Code.

SECTION 11. Provides that the changes in law made by this Act to Chapter 657 (Veteran's Employment Preferences), Government Code, apply only to an open position with a state agency for which the state agency begins accepting applications on or after the effective date of this Act. Provides that an open position with a state agency for which the state agency begins accepting applications before the effective date of this Act is governed by the law in effect on the date the state agency began accepting applications, and the former law is continued in effect for that purpose.

SECTION 12. Effective date: September 1, 2013.