

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	CS/HB 1219	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Veteran & Military Affairs Subcommittee; Raburn; Eisnaugle; and others	118 Y's	0 N's
COMPANION BILLS:	CS/SB 1538	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

CS/HB 1219 passed the House on March 3, 2016, and subsequently passed the Senate on March 3, 2016. The bill revises the section of Florida law governing veterans' preference in appointment and retention to require agencies to include a veteran recruitment plan and to track data related to the current veterans preference requirements.

Current law requires the state and its political subdivisions to grant a preference in hiring to all veterans; National Guard members; U.S. Reserve Forces; and Gold Star Mothers, Fathers, and legal guardians, and authorizes private sector employers to establish a veterans' preference process for honorably discharged veterans and certain spouses. However, Florida law does not provide a policy concerning the recruitment and employment of veterans by state agencies. In addition, Florida law does not provide a policy regarding the tracking of statistical data concerning these practices.

The bill revises the section of Florida law governing veterans' preference in appointment and retention.

Specifically, the bill:

- Requires each state agency, and allows each political subdivision of the state, to develop and implement a written veterans' recruitment plan;
- Requires each veterans' recruitment plan to establish and meet annual goals for ensuring the full use of veterans in the agency's or subdivision's workforce;
- Requires the Department of Management Services (DMS) to collect statistical data for each state agency on the number of persons who claim veterans' preference, the number of persons who were hired through veterans' preference, and the number of persons who were hired as a result of the veterans' recruitment plan; and
- Requires DMS to annually update the statistical data on its website and include the statistics in its annual workforce report.

The bill requires each veterans' recruitment plan to apply to the same individuals (listed above) that are included in the Florida law governing veterans preference in appointment and retention.

The fiscal impact to the state and each political subdivision of the state is indeterminate but likely insignificant. The effects of the bill will likely have a positive fiscal impact on veterans and their family members.

The bill was approved by the Governor on March 24, 2016, ch. 2016-102, L.O.F., and will become effective on October 1, 2016.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Military and Veteran Presence in Florida

Current law defines a “veteran” as a person who served in the active military, naval, or air service and who was discharged or released under honorable conditions, or who later received an upgraded discharge under honorable conditions.¹ Currently, there are 21.8 million veterans in the United States, of which over 1.6 million reside in Florida.² This makes Florida the state with the third largest veteran population, behind only California and Texas.³ Approximately 299,000 of Florida’s veterans are service-disabled.⁴

Florida’s overall unemployment rate for calendar year 2014 was 6.3 percent.⁵ The unemployment rate among Florida’s veterans was 5.0 percent, compared to 5.3 percent nationally.⁶ The unemployment rate among Florida’s post-9/11 era veterans averaged 4.8 percent, compared to 7.2 percent nationally.⁷

Veterans’ Preference in Employment

The Florida Statutes have included some form of veterans’ employment preference since 1947.⁸ The purpose of the veterans’ preference statute is to reward those who served their country in a time of need and to recognize the qualities and traits developed by military service.⁹ In 2014, the Legislature:

- Expanded Florida’s veterans’ preference in public employment process to expand the field of persons eligible for veterans’ preference to include all veterans; Guard members; U.S. Reserve Forces; and Gold Star Mothers, Fathers, and legal guardians; and
- Authorized private sector employers to establish a veterans’ preference process for honorably discharged veterans and certain spouses.¹⁰

The law specifically requires all state government entities, counties, cities, towns, villages, special tax school districts, and special districts (government employers) to grant employment preference in hiring and retention to certain veterans, and family members of certain military servicemembers and veterans.¹¹ All advertisements and written job announcements must include notice that veterans and

¹ s. 1.01(14), F.S.

² U.S. Census Bureau, *A Snapshot of Our Nation’s Veterans*, available at: <http://www.census.gov/library/infographics/veterans.html> (last visited January 20, 2016).

³ Florida Department of Veterans’ Affairs, *Fast Facts*, available at: http://floridavets.org/?page_id=50 (last visited January 20, 2016).

⁴ U.S. Department of Veterans Affairs, Veterans Benefits Administration, Annual Benefits Report, Fiscal Year 2014, page 22 of 80, available at: <http://www.benefits.va.gov/REPORTS/abr/ABR-IntroAppendix-FY13-09262014.pdf> (last visited January 18, 2016).

⁵ See Florida Department of Economic Opportunity, *Local Area Unemployment Statistics*, available at: <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/local-area-unemployment-statistics> (last visited January 20, 2016).

⁶ United States Congress Joint Economic Committee, *Economic Snapshot: Florida* (Oct. 2015), available at: http://www.jec.senate.gov/public/_cache/files/2cb3bde9-27db-4584-86fc-f2ce46e4bb2e/florida.pdf (last visited January 20, 2016).

⁷ *Id.*

⁸ s. 1, ch. 24201, L.O.F. (1947).

⁹ *Yates v. Rezeau*, 62 So. 2d 726, 727 (Fla. 1952); Ch. 98-33, at 244, L.O.F.

¹⁰ CS/CS/HB 7015 was signed by the Governor on March 31, 2014, and was codified as ch. 2014-1, L.O.F., which became effective on July 1, 2014, except as otherwise provided.

¹¹ Section 295.07(1), F.S., requires the state and political subdivisions of the state to comply with veterans’ preference requirements. Section 1.01, F.S., defines “political subdivision” as “counties, cities, towns, villages, special tax school districts, special road and bridge districts, bridge districts, and all other districts in this state.” Rule 55A-7.004, F.A.C., contains a definition applicable specifically to veterans’ preference statutes, and includes all the entities listed above, but also includes all Career Service System positions under the FCS and the School for the Deaf and the Blind among those required to give employment preference to veterans and spouses of veterans.

eligible family members receive preference in employment and are encouraged to apply for the position.¹²

Florida's veterans' preference in employment statutes do not require a government employer to hire a veteran over a more qualified non-veteran.¹³ In addition, a potential government employer is not required to pass a person who is eligible for veterans' preference through the screening process if he or she does not meet the minimum qualifications for the position.¹⁴

In addition, beginning in 2014, private employers in Florida were authorized to adopt veterans' preference requirements.¹⁵

1. *Persons Eligible for Employment Preference and Exceptions*

Pursuant to Florida law, the following persons are eligible to claim veterans' employment preference:¹⁶

- a) Disabled veterans who have served on active duty in any branch of the Armed Forces and who presently have an existing service-connected disability which is compensable under public laws administered by the U.S. Department of Veterans Affairs (USDVA) or are receiving compensation, disability retirement benefits, or pension by reason of public laws administered by the USDVA and the U.S. Department of Defense (DOD).
- b) The spouse of a veteran:
 - a. Who has a total and permanent service-connected disability and who, because of this disability, cannot qualify for employment; or
 - b. Who is missing in action, captured in line of duty by a hostile force, or forcibly detained or interned in line of duty by a foreign government or power.
- c) A veteran of any war who has served at least one day during that wartime period or who has been awarded a campaign or expeditionary medal. (Active duty for training may not be allowed for eligibility under this provision.)
- d) The unremarried widow or widower of a veteran who died of a service-connected disability.
- e) The mother, father, legal guardian, or unremarried widow or widower of a servicemember who died as a result of military service under combat-related conditions as verified by DOD.
- f) A veteran as defined in s. 1.01(14), F.S. Active duty for training may not be allowed for eligibility under this provision. The term "veteran" is defined as a person who served in the active military, naval, or air service and who was discharged or released therefrom under honorable conditions only or who later received an upgraded discharge under honorable conditions.
- g) A current member of any reserve component of the U.S. Armed Forces or the Florida National Guard.

Florida law exempts the following government positions from the veterans' preference requirements:¹⁷

- Positions that are exempt from the state Career Service System, including certain legislative branch personnel, judicial branch personnel, and personnel of the Office of the Governor; however, all positions under the University Support Personnel System of the State University System as well as all Career Service System positions under the Florida College System and the School for the Deaf and the Blind are included;
- Positions in political subdivisions of the state which are filled by officers elected by popular vote or persons appointed to fill vacancies in such offices and the personal secretary of each officer;
- Members of boards and commissions;

¹² s. 295.065, F.S.

¹³ Harris v. State, Public Employees Relations Com'n., 568 So. 2d 475 (Fla. 1st DCA 1990).

¹⁴ Id.

¹⁵ s. 295.188, F.S.

¹⁶ s. 295.07(1)(a)-(g), F.S.

¹⁷ s. 295.07(4)(a)-(b), F.S.

- Persons employed on a temporary basis without benefits;
- Heads of departments;
- Positions that require licensure as a physician, licensure as an osteopathic physician, or licensure as a chiropractic physician; and
- Positions that require membership in The Florida Bar.

2. *If an Examination Determines Qualification for Employment*

If an examination is used to determine qualification for employment, points are added to the final examination score as follows:¹⁸

Category	Points
Disabled Veteran	15
Spouse of Person With Total Disability, Missing in Action, Captured in Line of Duty, Etc.	15
Wartime Veteran	10
Un-remarried widow/widower of Person Who Died of a Service-Connected Disability	10
Gold Star Family	10
Veteran	5
National Guard/Reserve	5

In order for points to be awarded, the applicant must first obtain a qualifying score on the examination.¹⁹

Florida law requires each government employer to enter the names of persons eligible for preference on an appropriate register or list in accordance with their respective ratings.²⁰ For most positions, the names of all persons qualified to receive a fifteen-point preference whose service-connected disabilities have been rated to be 30 percent or more must be placed at the top of the appropriate register or employment list, in accordance with their respective ratings.²¹ A Florida court determined that this provision gives an absolute preference for veterans to be placed at the top of the employment list only if the candidate has a 30 percent or more disability rating.²²

However, the court further declared that there are no statutory provisions suggesting that veterans receiving a five or ten point exam score augmentation must be hired over more qualified non-veterans.²³

3. *If an Examination Does Not Determine Qualification for Employment*

If an examination is not used to determine qualifications for a position, preference is given as follows:²⁴

- First preference is given to disabled veterans who have served on active duty in any branch of the U.S. Armed Forces and who presently have an existing service-connected disability which is

¹⁸ s. 295.08, F.S.; Rule 55A-7.010, F.A.C., provides further procedures for calculating points if the highest possible exam score is other than 100.

¹⁹ Rule 55A-7.010(1), F.A.C.

²⁰ s. 295.08, F.S.

²¹ *Id.*

²² *Harris v. State, Public Employees Relations Com'n.*, 568 So. 2d 475 (Fla. 1st DCA 1990).

²³ *Id.*

²⁴ s. 295.085, F.S.

compensable under public laws administered by the USDVA or are receiving compensation, disability retirement benefits, or pension by reason of public laws administered by the USDVA and DOD; and the spouse of a veteran who has a total and permanent service-connected disability and who, because of this disability, cannot qualify for employment, or who is missing in action, captured in line of duty by a hostile force, or detained or interned in line of duty by a foreign government or power (i.e., those listed above in points a) and b) under “Persons Eligible for Employment Preference and Exceptions”); and

- Second preference is given to a veteran of any war; the unmarried widow or widower of a veteran who died of a service-connected disability; the mother, father, legal guardian, or unmarried widow or widower of a servicemember who died as a result of military service under combat-related conditions; a veteran as defined in s. 1.01(14), F.S.; a current member of any reserve component of the U.S. Armed Forces or the Florida National Guard. (i.e., those listed above in points c. through g. under “Persons Eligible for Employment Preference and Exceptions”).

In 1988, the Florida Attorney General opined that:

While mandating veterans' preference during the employment selection process, ch. 295, F.S., by providing a means for reviewing the employment of a non-veteran over a preferred veteran, contemplates that non-veterans may be hired. Based upon this statutory scheme, I am unable to conclude that veterans' preference mandates that eligible veterans be hired over non-veterans. I have found no evidence of legislative intent to require the employment of veterans in all instances.²⁵

The Florida Department of Veterans' Affairs (DVA) is responsible for promulgating rules or procedures to ensure that eligible persons are given special consideration in the selection and retention processes of government employers.²⁶ These procedures must ensure that, for positions that do not require an examination, eligible persons are given special consideration at each step of the employment selection process and are given special consideration in the retention of employees where layoffs are necessitated.²⁷

In 1988, the Florida Attorney General opined that veterans' preference provides special consideration for eligible veterans at each step of the employment selection process, but does not require the employment of a preferred veteran over a non-veteran who is the “most qualified” applicant for the position. However, the employing agency is required to document and justify the decision to hire a non-veteran over the preferred veteran.²⁸

4. *Complaint and Appeal Process*

When a government employer selects a non-veteran over a person who is eligible for veterans' preference, the eligible person may file a written complaint with the DVA. The DVA must investigate the complaint and may file an opinion with the Public Employees Relations Commission (PERC) as to the merit or lack of merit in each case. The DVA must conduct all investigations within existing amounts appropriated by the Florida Legislature.²⁹

Jurisdiction to effectuate the purposes of the veterans' preference requirements rests with the PERC for appropriate administrative determination. If, upon preliminary review, the PERC agrees with the DVA's determination that a case lacks merit and finds a complete absence of justiciable issues of either law or

²⁵ See Attorney General's Opinion 88-24.

²⁶ s. 295.07(2), F.S.

²⁷ *Id.*

²⁸ See Attorney General's Opinion 88-24.

²⁹ s. 295.11, F.S.

fact raised by the veterans' preference complaint, the PERC must dismiss the complaint "without the necessity of holding a hearing."³⁰

When a government employer selects a non-veteran over a person who is eligible for veterans' preference, the initial burden is on the veteran to show minimal qualifications; a timely and proper application for a covered position; and that the employer selected a non-veteran over a veteran with a lesser preference. The burden then shifts to the employer to show that the non-veteran applicant was more qualified.³¹

If the PERC determines that a violation of the veterans' preference requirements has occurred, it must order the offending agency, employee, or officer to comply with the provisions and may issue an order to compensate the veteran for the loss of any wages and reasonable attorney's fees for actual hours worked, and costs of all work, including litigation, incurred as a result of the violation.³² However, attorney's fees and costs may not exceed \$10,000.³³

If reparation is sought through civil action in court, any agency, employee, or officer of a government employer found in violation of the veterans' preference requirements must also pay the costs of the suit and reasonable attorney's fees incurred in the action and pay damages as the court may award, any law to the contrary notwithstanding.³⁴

5. *State Government Veterans' Preference Provision*

With respect to non-exempt positions in the state's Career Service System, Florida law requires the state to grant a preference in hiring and retention to an eligible person if the eligible person meets the minimum eligibility requirements for the position and has the knowledge, skills, and abilities required for the position.³⁵ A disabled veteran employed as a result of being placed at the top of the appropriate employment list must be appointed for a probationary period of one year.³⁶ At the end of the one-year period, if the disabled veteran's performance is satisfactory, the veteran will acquire permanent employment status and will be subject to the employment rules of the Florida Department of Management Services (DMS) and the veteran's employing agency.³⁷

6. *Federal Gold Star Mother Act*

Pursuant to the U.S. Code, federal employers are required to grant employment preference to the mother of either (a) a service-connected permanently and totally disabled veteran; or (b) an individual who lost his life under honorable conditions while serving in the U.S. Armed Forces during specified periods of active duty, provided that:³⁸

- Her husband is totally and permanently disabled;
- She is widowed, divorced, or separated from the father and has not remarried; or
- She has remarried but is widowed, divorced, or legally separated from her husband when preference is claimed.

³⁰ *Id.*

³¹ West Coast Regional Water Supply Authority v. Harris, 604 So. 2d 892, 893 (Fla. 1st DCA 1992); *See also Cox v. Pasco County*, 16 FPER Para. 21517 (1990); Rosete v. Department of Professional Regulation, 15 FPER Para. 20518 (1989); Varela v. Department of Health and Rehabilitative Services, 15 FPER Para. 20517 (1989).

³² s. 295.14(1), F.S.

³³ *Id.*

³⁴ s. 295.14(2), F.S.

³⁵ s. 110.2135(1), F.S.

³⁶ s. 110.2135(2), F.S.

³⁷ *Id.*

³⁸ 5 U.S.C. § 2108(3)(F), (G).

The USDVA is tasked with making the official determination of the existence of a service-connected disability. The term “disabled veteran” is defined as an individual who has served on active duty in the armed forces, has been separated under honorable conditions, and has established the existence of a service-connected disability or is receiving compensation, disability retirement benefits, or a pension because of a public statute administered by the USDVA or a military department.³⁹

The term “service-connected” is further defined in the U.S. Code to mean that the disability or death suffered by the veteran was incurred or aggravated in the line of duty in active military, naval, or air service.⁴⁰ There are instances in which a veteran’s service-connected disability is not determined by the USDVA. In this instance, the DOD would determine the existence of a disability and provide compensation to the veteran. The secretaries of the military departments have the authority to make the final determination of disability in each case.⁴¹ When that determination is made, the servicemember may decide whether to receive military retirement benefits from the DOD or disability compensation from the USDVA.

7. Death Benefits for Family of Military Servicemembers

The DOD provides compensation to members of the U.S. Armed Forces through the death gratuity program.⁴² The death gratuity program provides a special tax-free payment of \$100,000 to eligible survivors of members of the U.S. Armed Forces who die while on active duty or while serving in certain reserve statuses. The death gratuity is the same regardless of the cause of death.⁴³ The longstanding purpose of the death gratuity has been to provide immediate cash payment to assist survivors of deceased members of the U.S. Armed Forces to meet their financial needs during the period immediately following a servicemember's death and before other survivor benefits, if any, become available.⁴⁴ The death gratuity is also payable if an eligible servicemember or former servicemember dies within 120 days of release or discharge from active duty, or active duty for training when the Secretary of the USDVA determines that the death resulted from injury or disease incurred or aggravated during such duty.⁴⁵

According to DMS, for fiscal year 2014-2015, 761 applicants claiming veterans’ preference were marked as hired by an employing agency in People First.⁴⁶ However, government employers are not required to track the number of persons who claim veterans’ preference; therefore, statistics indicating the number of eligible persons who requested veterans’ preference, or the number of persons who were hired as a result of the preference requirements, are not always available.

In addition, Florida law does not provide a policy concerning the active recruitment of veteran employees.

Proposed Changes

The bill revises the section of Florida law governing veterans’ preference in appointment and retention.

Specifically, the bill:

³⁹ 5 USC 2108(2). *See also* s. 295.07(1)(a)1., F.S.

⁴⁰ 38 USC 101(16).

⁴¹ 10 USC 1201.

⁴² DOD Military Compensation, Death Gratuity, available at: <http://militarypay.defense.gov/Benefits/DeathGratuity.aspx> (last visited January 18, 2016).

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ According to DMS staff, this number only reflects data from State Personnel System agencies and does not include data for any other government employer

- Requires each state agency, and allows each political subdivision of the state, to develop and implement a written veterans' recruitment plan;
- Requires each veterans' recruitment plan (developed and implemented by the state agency or political subdivision) to establish and meet annual goals for ensuring the full use of veterans in the agency's or subdivision's workforce;
- Requires DMS to collect statistical data for each state agency on the number of persons who claim veterans' preference, the number of persons who were hired through veterans' preference, and the number of persons who were hired as a result of the veterans' recruitment plan; and
- Requires DMS to annually update the statistical data on its website and include the statistics in its annual workforce report.

The bill requires each veterans' recruitment plan to apply to the same individuals that are addressed in the Florida law governing veterans preference in appointment and retention.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Requiring each state agency to develop and implement a written veterans' recruitment plan and to establish and meet new annual goals may create an indeterminate but likely insignificant negative fiscal impact to state agencies.

Requiring DMS to collect statistical data, annually update the data on its website, and include the data in its annual workforce report may create an indeterminate but likely insignificant negative fiscal impact to the department. There may be a programming impact to People First, but this should be insignificant and can be absorbed within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

Allowing each political subdivision of the state to develop and implement a written veterans' recruitment plan may create an indeterminate negative fiscal impact to these political subdivisions. However, this is an authorization for the political subdivisions of the state and not a requirement.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will likely have a positive fiscal impact to veterans in the state. Recruiting veterans to the state government workforce will likely increase the amount of veterans who are hired and, thereby, receive gainful employment.

D. FISCAL COMMENTS:

None.