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**Measure Description:**

Modifies law regarding requirement that public employer grant preference to veteran or disabled veteran in selection process for civil service position.

**Government Unit(s) Affected:**

Department of Administrative Services (DAS), Legislative Administration Committee (LAC), Oregon Judicial Department (OJD), Bureau of Labor and Industries (BOLI), Statewide, Counties, Cities

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Analysis:**

SB 332 - B changes hiring processes related to veterans' preference for civil service positions.

During the application screening process, all veterans that meet the minimum and special qualifications for a position, and have the necessary skills, are given preference points.

During the application examination process, all veterans who qualify for the position must be interviewed and preference points are awarded to all veterans who interview.

After the application process is complete, if an otherwise qualified veteran is not appointed to a vacant civil service position, the employer must provide in writing the reason the veteran was not hired for the position. Not notifying the applicant in writing is an unlawful employment practice, and a veteran may file a complaint with the Bureau of Labor and Industries (BOLI) if this hiring process is not followed.

Under this measure, certain National Guard and pre-discharge military personnel are now included as eligible for veterans' preference in hiring.

***Statewide impact***

Some of the larger state agencies anticipate a minimal fiscal impact as a result of this measure. This is due to increased workload for human resources personnel and hiring managers. This bill could increase the number of applicants for positions, leading to increased application processing for human resources offices; could require that more applicants be interviewed, as all qualified veteran applicants for a position are required to be included in the interview process; and will increase administrative workload by requiring that veteran applicants be notified in writing about why they were not hired for a position.

This measure could also increase costs as agencies train HR personnel and hiring managers about the new veterans' hiring preference processes and could increase legal costs if agencies do not implement these processes correctly. BOLI and the Oregon Judicial Department anticipate a slightly increased workload, both as employers and as the bodies charged with enforcing provisions of this measure, but this work is anticipated to be absorbable within current agency resources.

State agencies may need to seek support from the Emergency Board or Legislative Assembly if the costs of implementing new veterans' preference hiring policies exceed currently budgeted expenditures.

*Impact on statewide HR processes*

The Department of Administrative Services (DAS) anticipates a fiscal impact as a result of this measure. In addition to the increased human resources workload anticipated by other state agencies, the DAS Chief Human Resources Office (CHRO) will be charged with updating statewide materials and conducting trainings about veterans' preference in the hiring process. DAS anticipates that this increased workload will require two positions (1.50 FTE), a Human Resource Analyst 2 and an Executive Support Specialist 1. This is anticipated to cost \$234,785 Other Funds in the 2019-21 biennium and \$313,042 in the 2021-23 biennium. Some of these funds are derived from General Fund resources.

This measure will also require reconfiguration of Workday, the statewide human resources information system. Workday was configured to align business processes with current veterans' preference law. The costs associated with reconfiguring Workday are currently unknown, and further analysis is needed.