

# House Bill 2874

Sponsored by Representative EVANS (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest:** This Act updates the laws about how public employers should give priority to veterans when hiring for jobs. It limits the preference to those who apply within ten years of leaving the U.S. Armed Forces. (Flesch Readability Score: 63.3).

Modifies law regarding the requirement that a public employer grant preference to a veteran or disabled veteran in the selection process for a civil service position. Limits eligibility for preference to a veteran who applies for a position within 10 years of discharge or release from service in the Armed Forces of the United States. Requires evidence of eligibility and disability to be provided at the time of application. Sets forth processes for granting one or more preferences.

Allows a public employer to exercise discretion to not appoint a qualified veteran or disabled veteran to a civil service position based solely on the veteran's or disabled veteran's merits or qualification in the final stage of the selection process. Requires a public employer to provide written reasons for not appointing a veteran or disabled veteran to a position under certain circumstances.

Requires an aggrieved veteran or disabled veteran to exhaust nonjudicial remedies with the Bureau of Labor and Industries before filing a civil action for an unlawful employment practice.

## A BILL FOR AN ACT

1  
2 Relating to preferences for veterans in public employment selection processes; creating new pro-  
3 visions; amending ORS 408.225, 659A.320 and 659A.885; and repealing ORS 408.230, 408.235 and  
4 408.237.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 408.225 is amended to read:

7 408.225. (1) As used in [*ORS 408.225 to 408.237*] **this section and section 4 of this 2025 Act:**

8 (a) **“Application examination” means the selection process utilized by a public employer**  
9 **after the initial application screening of an applicant. An application examination may be**  
10 **scored or unscored and includes, but is not limited to, formal testing, assessments resulting**  
11 **in a score and unscored examinations or assessments such as interviews and reference**  
12 **checks.**

13 [(a)(A)] (b)(A) **“Civil service position” means any position for which a hiring or promotion de-**  
14 **cision is made or required to be made based on the results of a merit based, competitive process that**  
15 **includes, but is not limited to, consideration of an applicant’s or employee’s relative ability, knowl-**  
16 **edge, experience and other skills.**

17 (B) A **“civil service position” need not be labeled a “civil service position.”**

18 [(b)] (c) **“Combat zone” means an area designated by the President of the United States by**  
19 **executive order in which, on the dates designated by executive order, the Armed Forces of the**  
20 **United States are or have engaged in combat.**

21 [(c)] (d) **“Disabled veteran” means a veteran who has a disability rating from the United States**  
22 **Department of Veterans Affairs, a veteran whose discharge or release from active duty was for a**  
23 **disability incurred or aggravated in the line of duty or a veteran who was awarded the Purple Heart**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 for wounds received in combat.

2 [(d)] (e) “Honorable conditions” has the meaning given that term in rules adopted by the De-  
3 partment of Veterans’ Affairs.

4 (f) **“Initial application screening” means a public employer’s process to determine**  
5 **whether a veteran or disabled veteran applicant for a civil service position meets the mini-**  
6 **imum and special qualifications for the position. “Initial application screening” includes an**  
7 **evaluation of skills or assessment of responses to supplemental test questions if required in**  
8 **the recruitment announcement for the position.**

9 (g) **“Minimum qualifications” means baseline education, experience or other require-**  
10 **ments that an applicant must have in order to be considered for a civil service position by**  
11 **a public employer as set forth in rules adopted by the public employer or in the recruitment**  
12 **announcement for the position.**

13 [(e)] (h) “Public employer” means a public body, as that term is defined in ORS 174.109, and any  
14 person authorized to act on behalf of the public body, with respect to control, management or  
15 supervision of any employee.

16 (i) **“Special qualifications” means attributes desired by a public employer in an applicant**  
17 **for a civil service position that make an applicant more competitive for a position when**  
18 **compared to other applicants for the same position who do not possess the special quali-**  
19 **fications at all or to the same degree. Special qualifications may be unique to each position**  
20 **and may, but are not required to, be set forth in rules adopted by the public employer or in**  
21 **the recruitment announcement for the position.**

22 [(f)] (j) “Veteran” means a person who:

23 (A) Served on active duty with the Armed Forces of the United States:

24 (i) For a period of more than 90 consecutive days beginning on or before January 31, 1955, and  
25 was discharged or released under honorable conditions;

26 (ii) For a period of more than 178 consecutive days beginning after January 31, 1955, and was  
27 discharged or released from active duty under honorable conditions;

28 (iii) For 178 days or less and was discharged or released from active duty under honorable  
29 conditions because of a service-connected disability;

30 (iv) For 178 days or less and was discharged or released from active duty under honorable  
31 conditions and has a disability rating from the United States Department of Veterans Affairs; or

32 (v) For at least one day in a combat zone and was discharged or released from active duty under  
33 honorable conditions;

34 (B) Received a combat or campaign ribbon or an expeditionary medal for service in the Armed  
35 Forces of the United States and was discharged or released from active duty under honorable con-  
36 ditions; or

37 (C) Is receiving a nonservice-connected pension from the United States Department of Veterans  
38 Affairs.

39 (2) As used in subsection [(1)(f)] (1)(j) of this section, “active duty” does not include attendance  
40 at a school under military orders, except schooling incident to an active enlistment or a regular tour  
41 of duty, or normal military training as a reserve officer or member of an organized reserve or a  
42 National Guard unit.

43 **SECTION 2. ORS 408.230, 408.235 and 408.237 are repealed.**

44 **SECTION 3. Section 4 of this 2025 Act is added to and made a part of ORS chapter 408.**

45 **SECTION 4. (1)(a) A veteran or disabled veteran is eligible to use the preference provided**

1 for in this section for a civil service position for which the veteran makes application if the  
2 veteran applies for the position within 10 years after discharge or release from service in the  
3 Armed Forces of the United States. The veteran shall provide evidence of eligibility for the  
4 preference at the time the veteran makes application for the position. Failure to provide  
5 evidence at the time of application will disqualify the veteran from requesting use of the  
6 preference in the public employer's consideration of the veteran's application for the posi-  
7 tion.

8 (b) A disabled veteran shall provide evidence of disability from the United States De-  
9 partment of Veterans Affairs at the time the veteran makes application for the position.  
10 Failure to provide evidence of disability at the time of application will disqualify the disabled  
11 veteran from requesting use of the preference in the public employer's consideration of the  
12 disabled veteran's application for the position.

13 (2) A public employer shall grant one or more preferences to a veteran or disabled vet-  
14 eran who applies for a vacant civil service position or seeks promotion to a civil service po-  
15 sition with a higher maximum salary rate in the manner set forth in this section.

16 (3)(a) Initial application screenings done by public employers must result in a score.

17 (b) Upon completion of an initial application screening and determination that a veteran  
18 applicant meets the minimum and special qualifications for the position and, if applicable, is  
19 evaluated to have the necessary skills for the position and adequately responds to any sup-  
20 plemental questions, the public employer shall grant the preference to the veteran as follows:

21 (A) The employer shall add five preference points to a veteran's score.

22 (B) The employer shall add 10 preference points to a disabled veteran's score.

23 (c) After application of preference points under paragraph (b) of this subsection, the  
24 public employer shall generate a list of qualified veteran applicants to consider for appoint-  
25 ment.

26 (4)(a) Following the initial application screening under subsection (3) of this section, the  
27 public employer shall conduct the employer's application examination process with all quali-  
28 fied veteran applicants on the list and shall apply preferences as described in subsection (5)  
29 of this section.

30 (b) Application examination processes may be scored or unscored. If scored, applicants  
31 will be ranked on a 100-point scale. If unscored, applicants must be sorted into hierarchical  
32 levels based on the degree to which applicants possess or demonstrate desired attributes or  
33 meet other criteria for the position.

34 (c) If the application examination process includes one or more interviews, the public  
35 employer may choose one of the following:

36 (A) To interview all veteran applicants on the list.

37 (B) To interview a selected group of veteran applicants who most closely match the  
38 public employer's purposes in filling the position. This group may be considered along with  
39 nonveteran applicants who closely match the purposes of the employer in filling the position.

40 (5) After the application examination process is completed, the preference shall be applied  
41 as follows:

42 (a) For scored application examinations, the public employer shall add five points to a  
43 veteran's score or 10 points to a disabled veteran's score.

44 (b) For unscored application examinations, the public employer shall advance a veteran  
45 one level or advance a disabled veteran two levels.

1       **(6) The application of preferences in the manner described in this section is not a re-**  
 2 **quirement that the public employer appoint a veteran or disabled veteran to a civil service**  
 3 **position.**

4       **(7)(a) A public employer shall appoint an otherwise qualified veteran or disabled veteran**  
 5 **to a vacant civil service position if the results of a veteran’s or disabled veteran’s application**  
 6 **examination, when combined with the veteran’s or disabled veteran’s preferences, are equal**  
 7 **to or higher than the results of an application examination for an applicant who is not a**  
 8 **veteran or disabled veteran.**

9       **(b) Notwithstanding paragraph (a) of this subsection, a public employer may, at the time**  
 10 **of making a final hiring or promotion decision in the selection process, exercise discretion**  
 11 **to not appoint an otherwise qualified veteran or disabled veteran described in paragraph (a)**  
 12 **of this subsection based solely on the veteran’s or disabled veteran’s merits or qualifications**  
 13 **with respect to the vacant civil service position. A public employer that exercises discretion**  
 14 **under this paragraph shall provide to the veteran or disabled veteran written reasons for the**  
 15 **employer’s decision not to appoint the veteran or disabled veteran to the position within a**  
 16 **reasonable time after making the decision.**

17       **(8) Except as otherwise provided in subsection (7)(b) of this section, if a public employer**  
 18 **does not appoint a veteran or disabled veteran to a vacant civil service position, upon written**  
 19 **request of the veteran or disabled veteran, the employer, in writing, shall provide the**  
 20 **employer’s reasons for the decision not to appoint the veteran or disabled veteran to the**  
 21 **position.**

22       **(9) Violation of this section is an unlawful employment practice.**

23       **(10) A veteran or disabled veteran claiming to be aggrieved by a violation of this section**  
 24 **may file a verified written complaint with the Commissioner of the Bureau of Labor and In-**  
 25 **dustries in accordance with ORS 659A.820.**

26       **SECTION 5.** ORS 659A.885, as amended by section 58, chapter 700, Oregon Laws 2019, section  
 27 46, chapter 367, Oregon Laws 2021, section 9, chapter 99, Oregon Laws 2022, and section 49, chapter  
 28 9, Oregon Laws 2023, is amended to read:

29       659A.885. (1) **Except as provided in subsection (12) of this section,** any person claiming to  
 30 be aggrieved by an unlawful practice specified in subsection (2) of this section may file a civil action  
 31 in circuit court. In any action under this subsection, the court may order injunctive relief and any  
 32 other equitable relief that may be appropriate, including but not limited to reinstatement or the  
 33 hiring of employees with or without back pay. A court may order back pay in an action under this  
 34 subsection only for the two-year period immediately preceding the filing of a complaint under ORS  
 35 659A.820 with the Commissioner of the Bureau of Labor and Industries, or if a complaint was not  
 36 filed before the action was commenced, the two-year period immediately preceding the filing of the  
 37 action. In any action under this subsection, the court may allow the prevailing party costs and  
 38 reasonable attorney fees at trial and on appeal. Except as provided in subsection (3) of this section:

39       (a) The judge shall determine the facts in an action under this subsection; and

40       (b) Upon any appeal of a judgment in an action under this subsection, the appellate court shall  
 41 review the judgment pursuant to the standard established by ORS 19.415 (3).

42       (2) An action may be brought under subsection (1) of this section alleging a violation of:

43       (a) ORS 10.090, 10.092, 25.337, 25.424, 171.120, 243.323, [408.230, 408.237 (2),] 468B.519, 475C.285,  
 44 476.574, 652.020, 652.220, 652.355, 653.060, 653.263, 653.265, 653.547, 653.549, 653.601 to 653.661,  
 45 657B.060, 657B.070, 659.852, 659A.030, 659A.040, 659A.043, 659A.046, 659A.063, 659A.069, 659A.082,

1 659A.088, 659A.103 to 659A.145, 659A.147, 659A.150 to 659A.186, 659A.194, 659A.199, 659A.203,  
 2 659A.218, 659A.228, 659A.230, 659A.233, 659A.236, 659A.250 to 659A.262, 659A.277, 659A.290,  
 3 659A.300, 659A.306, 659A.309, 659A.315, 659A.318, 659A.320, 659A.343, 659A.355, 659A.357, 659A.370  
 4 or 659A.421 **or section 4 of this 2025 Act**; or

5 (b) ORS 653.470, except an action may not be brought for a claim relating to ORS 653.450.

6 (3) In any action under subsection (1) of this section alleging a violation of ORS 25.337, 25.424,  
 7 243.323, 652.220, 652.355, 653.547, 653.549, 657B.060, 657B.070, 659.852, 659A.030, 659A.040, 659A.043,  
 8 659A.046, 659A.069, 659A.082, 659A.103 to 659A.145, 659A.199, 659A.203, 659A.228, 659A.230,  
 9 659A.250 to 659A.262, 659A.290, 659A.318, 659A.343, 659A.355, 659A.357, 659A.370 or 659A.421:

10 (a) The court may award, in addition to the relief authorized under subsection (1) of this section,  
 11 compensatory damages or \$200, whichever is greater, and punitive damages;

12 (b) At the request of any party, the action shall be tried to a jury;

13 (c) Upon appeal of any judgment finding a violation, the appellate court shall review the judg-  
 14 ment pursuant to the standard established by ORS 19.415 (1); and

15 (d) Any attorney fee agreement shall be subject to approval by the court.

16 (4) Notwithstanding ORS 31.730, in an action under subsection (1) of this section alleging a vi-  
 17 olation of ORS 652.220, the court may award punitive damages if:

18 (a) It is proved by clear and convincing evidence that an employer has engaged in fraud, acted  
 19 with malice or acted with willful and wanton misconduct; or

20 (b) An employer was previously adjudicated in a proceeding under this section or under ORS  
 21 659A.850 for a violation of ORS 652.220.

22 (5) In any action under subsection (1) of this section alleging a violation of ORS 653.060 or  
 23 659A.147, the court may award, in addition to the relief authorized under subsection (1) of this sec-  
 24 tion, compensatory damages or \$200, whichever is greater.

25 (6) In any action under subsection (1) of this section alleging a violation of ORS 171.120, 476.574  
 26 or 659A.218, the court may award, in addition to the relief authorized under subsection (1) of this  
 27 section, compensatory damages or \$250, whichever is greater.

28 (7) In any action under subsection (1) of this section alleging a violation of ORS 10.090 or 10.092,  
 29 the court may award, in addition to the relief authorized under subsection (1) of this section, a civil  
 30 penalty in the amount of \$720.

31 (8) Any individual against whom any distinction, discrimination or restriction on account of  
 32 race, color, religion, sex, sexual orientation, gender identity, national origin, marital status or age,  
 33 if the individual is 18 years of age or older, has been made by any place of public accommodation,  
 34 as defined in ORS 659A.400, by any employee or person acting on behalf of the place or by any  
 35 person aiding or abetting the place or person in violation of ORS 659A.406 may bring an action  
 36 against the operator or manager of the place, the employee or person acting on behalf of the place  
 37 or the aider or abettor of the place or person. Notwithstanding subsection (1) of this section, in an  
 38 action under this subsection:

39 (a) The court may award, in addition to the relief authorized under subsection (1) of this section,  
 40 compensatory and punitive damages;

41 (b) The operator or manager of the place of public accommodation, the employee or person  
 42 acting on behalf of the place, and any aider or abettor shall be jointly and severally liable for all  
 43 damages awarded in the action;

44 (c) At the request of any party, the action shall be tried to a jury;

45 (d) The court shall award reasonable attorney fees to a prevailing plaintiff;

1 (e) The court may award reasonable attorney fees and expert witness fees incurred by a de-  
 2 fendant who prevails only if the court determines that the plaintiff had no objectively reasonable  
 3 basis for asserting a claim or no reasonable basis for appealing an adverse decision of a trial court;  
 4 and

5 (f) Upon any appeal of a judgment under this subsection, the appellate court shall review the  
 6 judgment pursuant to the standard established by ORS 19.415 (1).

7 (9) When the commissioner or the Attorney General has reasonable cause to believe that a  
 8 person or group of persons is engaged in a pattern or practice of resistance to the rights protected  
 9 by ORS 659A.145 or 659A.421 or federal housing law, or that a group of persons has been denied  
 10 any of the rights protected by ORS 659A.145 or 659A.421 or federal housing law, the commissioner  
 11 or the Attorney General may file a civil action on behalf of the aggrieved persons in the same  
 12 manner as a person or group of persons may file a civil action under this section. In a civil action  
 13 filed under this subsection, the court may assess against the respondent, in addition to the relief  
 14 authorized under subsections (1) and (3) of this section, a civil penalty:

15 (a) In an amount not exceeding \$50,000 for a first violation; and

16 (b) In an amount not exceeding \$100,000 for any subsequent violation.

17 (10) In any action under subsection (1) of this section alleging a violation of ORS 659A.145 or  
 18 659A.421 or alleging discrimination under federal housing law, when the commissioner is pursuing  
 19 the action on behalf of an aggrieved complainant, the court shall award reasonable attorney fees to  
 20 the commissioner if the commissioner prevails in the action. The court may award reasonable at-  
 21 torney fees and expert witness fees incurred by a defendant that prevails in the action if the court  
 22 determines that the commissioner had no objectively reasonable basis for asserting the claim or for  
 23 appealing an adverse decision of the trial court.

24 (11) In an action under subsection (1) or (9) of this section alleging a violation of ORS 659A.145  
 25 or 659A.421 or discrimination under federal housing law:

26 (a) "Aggrieved person" includes a person who believes that the person:

27 (A) Has been injured by an unlawful practice or discriminatory housing practice; or

28 (B) Will be injured by an unlawful practice or discriminatory housing practice that is about to  
 29 occur.

30 (b) An aggrieved person in regard to issues to be determined in an action may intervene as of  
 31 right in the action. The Attorney General may intervene in the action if the Attorney General cer-  
 32 tifies that the case is of general public importance. The court may allow an intervenor prevailing  
 33 party costs and reasonable attorney fees at trial and on appeal.

34 **(12) Before commencing an action under subsection (1) of this section alleging a violation**  
 35 **of section 4 of this 2025 Act, the person shall exhaust all available nonjudicial remedies under**  
 36 **ORS 659A.820 to 659A.865.**

37 **SECTION 6.** ORS 659A.320 is amended to read:

38 659A.320. (1) Except as provided in subsection (2) of this section, it is an unlawful employment  
 39 practice for an employer to obtain or use for employment purposes information contained in the  
 40 credit history of an applicant for employment or an employee, or to refuse to hire, discharge, de-  
 41 mote, suspend, retaliate or otherwise discriminate against an applicant or an employee with regard  
 42 to promotion, compensation or the terms, conditions or privileges of employment based on informa-  
 43 tion in the credit history of the applicant or employee.

44 (2) Subsection (1) of this section does not apply to:

45 (a) Employers that are federally insured banks or credit unions;

1 (b) Employers that are required by state or federal law to use individual credit history for em-  
2 ployment purposes;

3 (c) The application for employment or the employment of a public safety officer who will be or  
4 who is:

5 (A) A member of a law enforcement unit;

6 (B) Employed as a peace officer commissioned by a city, port, school district, mass transit dis-  
7 trict, county, university under ORS 352.121 or 353.125, Indian reservation, the Superintendent of  
8 State Police under ORS 181A.340, the Criminal Justice Division of the Department of Justice, the  
9 Oregon State Lottery Commission or the Governor or employed as a regulatory specialist by the  
10 Oregon Liquor and Cannabis Commission; and

11 (C) Responsible for enforcing the criminal laws of this state or laws or ordinances related to  
12 airport security; or

13 (d) The obtainment or use by an employer of information in the credit history of an applicant  
14 or employee because the information is substantially job-related and the employer's reasons for the  
15 use of such information are disclosed to the employee or prospective employee in writing.

16 (3) An employee or an applicant for employment may file a complaint under ORS 659A.820 for  
17 violations of this section and may bring a civil action under ORS 659A.885 and recover the relief  
18 as provided by ORS 659A.885 (1) and (2)(a).

19 (4) As used in this section, "credit history" means any written or other communication of any  
20 information by a consumer reporting agency that bears on a consumer's creditworthiness, credit  
21 standing or credit capacity.

22 **SECTION 7. Section 4 of this 2025 Act, the amendments to ORS 408.225, 659A.320 and**  
23 **659A.885 by sections 1, 5 and 6 of this 2025 Act and the repeal of ORS 408.230, 408.235 and**  
24 **408.237 by section 2 of this 2025 Act apply to selection processes for civil service positions**  
25 **and eligibility lists for civil service positions undertaken by public employers on or after the**  
26 **effective date of this 2025 Act.**

27