

BILL ANALYSIS

C.S.H.B. 3547
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Economic & Small Business Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Many in Texas are attempting to make full employment of veterans a priority. Although Texas' unemployment rates rank among the nation's lowest, interested parties note that public and private entities are eager to use more tools to employ veterans. According to the parties, as more veterans return home to Texas from overseas conflicts, many private businesses have indicated a desire to contribute to lowering the veteran unemployment rate and have shown interest in the possibility of adopting employment policies that favor veterans during the hiring and promotion processes. C.S.H.B. 3547 seeks to address this issue by prioritizing the hiring and promotion of veterans in Texas.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3547 amends the Labor Code to authorize a private employer to adopt a policy in writing under which the employer may give a preference in employment decisions regarding hiring, promotion, or retention to an honorably discharged veteran who has served on active duty in the U.S. armed forces over another qualified applicant or employee. The bill requires such an employer to apply an adopted policy reasonably and in good faith in those employment decisions during a reduction in the employer's workforce. The bill authorizes a private employer to require appropriate documentation from the veteran for the veteran to be eligible for the preference under the policy and establishes that granting a preference in accordance with an adopted policy does not constitute employment discrimination.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3547 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subtitle A, Title 2, Labor Code, is amended by adding Chapter 23 to read as follows:

CHAPTER 23. VOLUNTARY VETERAN'S EMPLOYMENT PREFERENCE FOR PRIVATE EMPLOYERS

Sec. 23.001. DEFINITION. In this chapter, "veteran" means an individual who:

- (1) has served on active duty in the armed forces of the United States; and
- (2) was honorably discharged from military service.

Sec. 23.002. VOLUNTARY PREFERENCE POLICY. (a) A private employer may adopt a policy under which the employer gives a preference in employment decisions regarding hiring, promotion, or retention to a veteran over another qualified applicant or employee.

(b) A policy adopted under this section must be in writing.

Sec. 23.003. APPLICATION OF POLICY. (a) An employer shall apply any policy adopted under this chapter uniformly in employment decisions regarding hiring, promotion, or retention during a reduction in the employer's workforce.

(b) An employer may require appropriate documentation from a veteran for the veteran to be eligible for the preference under a policy adopted under this chapter.

(c) Granting a preference in accordance with a policy adopted under this chapter does not violate Chapter 21.

SECTION 2. The change in law made by this Act applies only to an employment decision made on or after the effective date of this Act. An employment decision made before the effective date of this Act is governed by the law in effect on the date the decision was made, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subtitle A, Title 2, Labor Code, is amended by adding Chapter 23 to read as follows:

CHAPTER 23. VOLUNTARY VETERAN'S EMPLOYMENT PREFERENCE FOR PRIVATE EMPLOYERS

Sec. 23.001. DEFINITION. In this chapter, "veteran" means an individual who:

- (1) has served on active duty in the armed forces of the United States; and
- (2) was honorably discharged from military service.

Sec. 23.002. VOLUNTARY PREFERENCE POLICY. (a) A private employer may adopt a policy under which the employer may give a preference in employment decisions regarding hiring, promotion, or retention to a veteran over another qualified applicant or employee.

(b) A policy adopted under this section must be in writing.

Sec. 23.003. APPLICATION OF POLICY. (a) A private employer shall apply any policy adopted under this chapter reasonably and in good faith in employment decisions regarding hiring, promotion, or retention during a reduction in the employer's workforce.

(b) A private employer may require appropriate documentation from a veteran for the veteran to be eligible for the preference under a policy adopted under this chapter.

(c) Granting a preference in accordance with a policy adopted under this chapter does not violate Chapter 21.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.