

## MILITARY EXPERIENCE AND PUBLIC SERVICE EMPLOYMENT

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**House Bill 4858 as reported from Committee**  
**Sponsor: Rep. Thomas Albert**  
**Committee: Military and Veterans Affairs**  
**Complete to 10-30-17**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Act 381 of 2018)*

### SUMMARY:

The Preference in Employment Act, among other things, gives veterans preference in employment for both state and local government employment.

House Bill 4858 would amend the Act to provide that if the state or a political subdivision hires a veteran, it would be required to treat the veteran's military experience as relevant professional experience for the purpose of determining his or her wage or salary.

The term "veteran" would mean that word as defined in section 1 of Public Act 190 of 1965 (MCL 35.61).

Proposed MCL 35.401a

### FISCAL IMPACT:

House Bill 4858 would have an indeterminate fiscal impact on the State and local units of government. While the State and many other public entities give hiring preference to veterans, and consider relevant, transferrable military skills and experience during hiring and wage and salary negotiations, this bill would require public entities to consider military experience in determining wages and salaries. This change to 1897 PA 205 could force public entities to pay higher wages and salaries for entry-level positions and possibly result in lawsuits against public entities for wage discrimination. It is unclear how this bill would affect civil service positions with set wage and salary ranges or other positions of public employment where the wage or salary is clearly defined in the hiring process. This bill could also lead to retroactive wage or salary adjustments for veterans already employed by public entities. According to a 2014 U.S. Census Bureau estimate,<sup>1</sup> veterans living in the State of Michigan have an unemployment rate of approximately 6.3% and a median household income of \$53,700 (in 2014 dollars). Recent estimates show that the State of Michigan is home to between 559,000<sup>2</sup> and 608,000<sup>3</sup> veterans.

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<sup>1</sup> U.S. Census Bureau, 2014 Veterans Statistics – Michigan; accessed October 25, 2017.

<sup>2</sup> U.S. Census Bureau, American Community Survey 2016; accessed October 24, 2017.

<sup>3</sup> U.S. Department of Veterans Affairs, 2016 Gross Domestic Expenditures Report – Michigan; accessed October 24, 2017.

**POSITIONS:**

The Michigan Veterans Affairs Agency supports the bill. (9-25-17)

The Military Order of the Purple Heart supports the bill. (9-26-17)

The Department of Military and Veterans Affairs supports the bill. (10-24-17)

The American Legion supports the bill. (10-24-17)

Vietnam Veterans of America supports the bill. (10-24-17)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.