

**ALASKA STATE LEGISLATURE**  
**HOUSE LABOR AND COMMERCE STANDING COMMITTEE**

February 22, 2017

3:18 p.m.

**MEMBERS PRESENT**

Representative Sam Kito, Chair  
Representative Adam Wool, Vice Chair  
Representative Andy Josephson  
Representative Louise Stutes  
Representative Chris Birch  
Representative Gary Knopp  
Representative Colleen Sullivan-Leonard

**MEMBERS ABSENT**

Representative Mike Chenault (alternate)  
Representative Bryce Edgmon (alternate)

**COMMITTEE CALENDAR**

HOUSE BILL NO. 2

"An Act relating to a voluntary preference for veterans by private employers."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 2

SHORT TITLE: PRIV EMPLOYER VOLUNTARY VET PREFERENCE

SPONSOR(S): REPRESENTATIVE(S) TUCK

01/18/17	(H)	PREFILE RELEASED 1/9/17
01/18/17	(H)	READ THE FIRST TIME - REFERRALS
01/18/17	(H)	MLV, L&C
01/24/17	(H)	MLV AT 1:00 PM GRUENBERG 120
01/24/17	(H)	Heard & Held
01/24/17	(H)	MINUTE(MLV)
01/31/17	(H)	MLV AT 1:00 PM GRUENBERG 120
01/31/17	(H)	Moved CSHB 2(MLV) Out of Committee
01/31/17	(H)	MINUTE(MLV)
02/03/17	(H)	MLV RPT CS(MLV) NT 6DP
02/03/17	(H)	DP: RAUSCHER, REINBOLD, LEDOUX, SADDLER, PARISH, TUCK
02/22/17	(H)	L&C AT 3:15 PM BARNES 124

**WITNESS REGISTER**

REPRESENTATIVE CHRIS TUCK  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** As prime sponsor, presented HB 2.

KENDRA KLOSTER, Staff  
Representative Chris Tuck  
Alaska State Legislature  
Juneau, Alaska

**POSITION STATEMENT:** Answered questions on HB 2, on behalf of Representative Tuck, prime sponsor.

ROBERT DOEHL, Deputy Commissioner  
Department of Military & Veterans' Affairs (DMVA)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 2.

VERDIE BOWEN, Director  
Office of Veteran Affairs  
Department of Military & Veterans' Affairs (DMVA)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 2.

MARK SAN SOUCI, Regional State Liaison  
U.S. Department of Defense (DoD)  
Lakewood, Washington

**POSITION STATEMENT:** Testified in support of HB 2.

RUSSELL BALL  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 2.

**ACTION NARRATIVE**

[3:18:01 PM](#)

**CHAIR SAM KITO** called the House Labor and Commerce Standing Committee meeting to order at 3:18 p.m. Representatives Wool, Josephson, Stutes, Birch, Knopp, Sullivan-Leonard, and Kito were present at the call to order.

**HB 2-PRIV EMPLOYER VOLUNTARY VET PREFERENCE**

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CHAIR KITO announced that the only order of business would be HOUSE BILL NO. 2, "An Act relating to a voluntary preference for veterans by private employers." [Before the committee was CSHB 2(MLV).]

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REPRESENTATIVE CHRIS TUCK, Alaska State Legislature, as prime sponsor, presented HB 2. He stated that HB 2 would allow an optional veteran hiring preference for private employers by taking advantage of an option available under the Civil Rights Act of 1964; it would allow special rights and preferences to be granted to veterans as authorized under federal, state, or local law. He noted that 37 states have adopted similar legislation and 5 states are considering legislation this year. The nationwide effort by the U.S. Department of Defense (DoD) is attempting to make a veteran hiring preference possible in all 50 states. He read from the third paragraph of the sponsor statement, which read as follows [original punctuation provided]:

All fifty states, the District of Columbia, Guam and Puerto Rico award preferences to veterans in initial hiring for public employment. However, private employers are prohibited from establishing comparable business hiring policies unless specific legislation is passed allowing this option.

REPRESENTATIVE TUCK expressed that the road to employment can be difficult for veterans returning to civilian life. In a 2012 survey of veterans from all eras, two-thirds of the veterans named finding a job as the greatest challenge in their transition. He remarked, "As of November 2016, last year, the National Bureau of Labor ... Statistics showed the jobless rate for male veterans ages 18 to 24 still exceeds their counterparts." He explained that the military discharges about 160,000 active duty service members and 110,000 reserve and National Guard service members each year.

REPRESENTATIVE TUCK stated that according to the Defense Manpower Data Center data, over 2,000 military personnel returned to Alaska upon separation in 2015. He expressed that Alaska has one of the highest number of veterans per capita, and Alaskans have always supported veterans and active duty members. He explained that HB 2 would offer a voluntary opportunity to businesses in the private sector to assist veterans in

employment endeavors. He mentioned that DoD, the National Federation of Independent Business (NFIB) in Alaska, and the Employer Support of the Guard and Reserve (ESGR) all support HB 2.

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REPRESENTATIVE STUTES expressed her opinion that the bill is fair and good. She asked what the Alaska Naval Militia is.

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KENDRA KLOSTER, Staff, Representative Tuck, Alaska State Legislature, on behalf of Representative Tuck, prime sponsor of HB 2, informed that the Alaska Militia includes the Alaska State Defense Force (ASDF), the Alaska Air National Guard, Alaska Army National Guard, and the Alaska Territorial Guard, which would all fall under HB 2. She outlined that the House Special Committee on Military and Veterans' Affairs had, under CSHB 2(MLV) made the following changes: expanded the preference to active National Guard members; removed the requirement in current statute of eight years of service for public and private employers; and replaced "honorable discharge" to "discharge under honorable conditions" to include honorable and general discharges.

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REPRESENTATIVE BIRCH asked whether private employers take a risk when they choose to hire a veteran instead of an equally qualified non-veteran.

REPRESENTATIVE TUCK answered yes. He offered his understanding that [employers] can legally chose to hire one person over another equally qualified person; however, [an employer] cannot legally have a veteran hiring preference policy without HB 2.

REPRESENTATIVE BIRCH asked whether [an employer] is currently able to hire a veteran [over another equally qualified applicant].

REPRESENTATIVE TUCK responded yes. He remarked, "All things being equal in the scenario that you created, I don't think a person would be in violation ... when you decide to pick the veteran hire preference. But if things aren't so equal, and you decide to hire the veteran, you wouldn't be able to do so without this piece of legislation."

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ROBERT DOEHL, Deputy Commissioner, Department of Military & Veterans' Affairs (DMVA), testified in support of HB 2. He expressed that the veteran population in Alaska is growing by about five percent per year and HB 2 is important to keep veterans employed. He clarified that members of the Alaska Naval Militia are Alaskan members of the Federal Navy Reserve and Federal Marine Corps Reserve who voluntarily affiliate with the State of Alaska and are available in a state disaster.

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REPRESENTATIVE JOSEPHSON expressed his surprise that such legislation has not been introduced previously.

REPRESENTATIVE TUCK explained that similar legislation has been introduced previously, was passed unanimously by the House, but was not passed out of the Senate Rules Standing Committee before the session ended.

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REPRESENTATIVE KNOPP asked why "discharged under honorable conditions" was replaced by "other than dishonorable" in the bill. He stated his opinion that an employer should be made aware of an employee's unfavorable discharge.

REPRESENTATIVE TUCK answered that "other than dishonorable" includes general and honorable discharges and is consistent with federal language.

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MR. DOEHL echoed that the language is consistent with federal law. He said it would recognize individuals who are entitled to federal veteran benefits and were not discharged dishonorably. He explained that some members who served frequently in combat but had a "small hiccup" could receive a general discharge; not passing a physical fitness test could be such a hiccup which would take away from years of honorable service. He added that HB 2 would give employers the opportunity to recognize such service.

REPRESENTATIVE KNOPP asked if a dishonorable discharge still exists. He asked if an individual with a dishonorable discharge would be eligible for the preference outlined in HB 2.

MR. DOEHL stated that a member with a dishonorable discharge is not eligible for the veteran's hiring preference; usually, dishonorable discharges involve a serious conviction. He noted that federal law does not recognize dishonorable discharges for veteran's benefits.

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REPRESENTATIVE WOOL asked whether employers would need to state or publish their veteran hiring policy or preference.

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REPRESENTATIVE TUCK responded that employers would not [be required] to provide a written preference, but HB 2 would allow them to have a written preference if desired without violating state or federal laws.

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VERDIE BOWEN, Director, Office of Veteran Affairs, Department of Military & Veterans' Affairs (DMVA), testified in support of HB 2. He stated that HB 2 is a positive bill and would have positive outcomes for veterans returning from Afghanistan or Iraq.

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CHAIR KITO opened public testimony on HB 2.

[3:33:39 PM](#)

MARK SAN SOUCI, Regional State Liaison, U.S. Department of Defense (DoD), testified in support of HB 2. He noted that he is a retired Air Force officer. He added that DoD has been working on this issue with state [legislatures] for three years and 37 states have implemented the policy. He said that the National Conference of State Legislators (NCSL) and a military veterans' task force embraced the issue years ago. He explained that the issue was brought forward because private employers were hesitant to have a [veteran hiring preference] policy; he said that the need is still there. He noted that in 2016, 2,009 military personnel returned to Alaska. He noted that as the

number of people returning from service remains static or increases, the state will continue to see reliable veterans with a unique skillset, a proven work ethic, and training previously paid for through federal taxes.

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RUSSELL BALL testified in support of HB 2. He stated that as a small business owner, he has had concern about implementing a hiring preference, because "you always are at risk for the person that didn't get the job on whether everything was done ... both legally and fairly." He explained that he is interested in hiring veterans because they are disciplined, trained, and reliable; many small businesses wish to advertise encouraging veterans to apply. He offered his belief that retaining the veteran portion of the workforce is good for the state. He explained that finding good, qualified help is always an issue. He stated that HB 2 would allow him to move forward with a hiring preference without the risk of associated lawsuits.

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CHAIR KITO announced that HB 2 was held over.

[3:38:26 PM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Labor and Commerce Standing Committee meeting was adjourned at 3:38 p.m.