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Federal Government Employment: Veterans' Preference in Competitive Examination

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Summary

Veterans' preference is a system that provides special consideration to certain former members of the Armed Forces who pursue civilian employment with the federal government. This report describes how veterans' preference is established and applied in the assessment and selection of candidates for federal positions that use competitive examination procedures.

The specific type of preference for which a veteran qualifies (if any) depends on the timing of the veteran's service and whether or not the veteran has a service-connected disability. The strongest preference is for veterans who have a service-connected disability rated at 30% or greater. In some cases, if a veteran is not able to use his or her preference due to death or disability, a family member may claim derived preference.

For federal positions that follow competitive examination procedures, applicants are typically assessed on the basis of their qualifications (e.g., education and experience). The application of veterans' preference depends on the assessment procedure being used. When applicants are assessed using *category rating*, a process that assigns applicants to quality categories (e.g., minimally qualified, well qualified, and highest qualified), preference is applied by moving an eligible veteran to the top of the category for which he or she qualifies or, in some cases, to the top of the highest quality category. When applicants are assessed using *numerical rating*, preference is applied by adding extra points to a veteran candidate's assessed score.

Veterans' preference also has a role in the selection process. In cases where a preference eligible is among the highest-ranked candidates and therefore eligible for selection, the selecting official must either (1) select the preference eligible or (2) pass over the preference eligible by disqualifying the preference eligible.

In FY2016, the most recent year for which data are available, veterans with preference made up 28% of nonseasonal, full-time, permanent federal employees. In recent years, veterans with preference have accounted for a larger portion of new federal hires and the proportion of veterans in the federal workforce has gradually increased. In FY2016, veterans with preference accounted for 37% of nonseasonal, full-time, permanent new hires.

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Introduction

Veterans' preference provides special consideration for qualified former members of the Armed Forces who pursue civilian employment with the federal government. Veterans' preference is operationalized by giving qualified veterans certain advantages in the assessment and selection procedures in the federal hiring process.[1]

This report discusses veterans' preference and how it is applied to positions that use competitive examination processes to assess and select candidates.[2] It begins by describing types of preference and how veterans qualify. The next sections describe how preference is implemented in the assessment and selection phases of the federal hiring processes. The final sections present data on the employment and hiring of veterans in the federal government and summarize issues for Congress.

This report does not discuss special hiring authorities that allow qualified veterans to be appointed noncompetitively, nor does it discuss how preference is applied in cases where a hiring authority other than competitive examination is used.[3] This report also does not discuss the role of veterans' preference in providing special consideration to veteran employees during a reduction-in-force (RIF) at a federal agency.

Note on Assessment Systems and Terminology

Typically, competitive examination consists of assessment of a candidate's qualifications (e.g., education and experience).[4] This report will discuss the application of veterans' preference under two assessment methods: *numerical rating* and *category rating*. Numerical rating assesses candidates' qualifications on a 100-point scale and the candidates with the highest scores are eligible for selection. Category rating assigns applicants to a category on the basis of their qualifications, with applicants in the highest category eligible for selection.[5] Both numerical rating and alternative assessment procedures such as category rating are permitted by law.[6]

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[1] Inquiries from congressional clients about federal hiring processes that are not related to veterans' preference should be directed to Barbara Schwemle, Analyst in American National Government, and Kathryn Francis, Analyst in Government Organization and Management.

[2] "Competitive examination" is the general term used to refer to the process for federal hiring that is based on evaluating and selecting candidates through assessing a candidate's relative ability to perform the job. (See 5 U.S.C. 3304.) The Office of Personnel Management may delegate examination authority to the hiring agency. (See 5 U.S.C. 1104.) In these cases, the examination process may be referred to as "delegated examination." Delegated examination follows the same processes as competitive examining and the rules and processes described in this report apply to both competitive and delegated examination.

[3] For more information on these noncompetitive hiring authorities for veterans, see the Feds Hire Vets website at https://www.fedshirevets.gov/job-seekers/special-hiring-authorities/.

[4] Some positions may have other components to competitive examination, such as a written test. This report discusses assessment of qualifications, which is the most common form of competitive examination.

[5] See "Presidential Memorandum—Improving the Federal Recruitment and Hiring Process," May 11, 2010, at https://www.whitehouse.gov/the-press-office/presidential-memorandum-improving-federal-recruitment-and-hiring-process.

[6] The numerical rating method is established by 5 U.S.C. 3301 et seq. and 5 C.F.R. 337.101. The category rating method is an alternate rating and selection procedure that is permitted by 5 U.S.C. 3319 and 5 C.F.R. Part 337, Subpart C.

The term "preference eligible" describes an individual who is eligible for any form of veterans' preference. This can include qualified veterans or family members of veterans who qualify for derived preference.[7]

Types of Preference and Eligibility[8]

Preference Eligibility

Not all former members of the Armed Forces qualify for preference. In general, a veteran qualifies for preference if (1) the veteran has a service-connected disability, *or* (2) the veteran's active duty was during a qualified time period or in a qualified campaign. In all cases, a veteran must have been discharged under honorable conditions to claim preference.

The construction of veterans' preference criteria is such that eligibility for preference is a "lifetime" status. A veteran who meets a criterion for preference will continue to meet the criterion for the remainder of his or her lifetime, assuming no change to preference eligibility criteria. Similarly, a veteran who is not eligible for preference will not become eligible without a change to policy or the veteran's disability status.

Military retirees who do not have a service-connected disability and who retire at or above a certain rank may not qualify for veterans' preference. The application of veterans' preference for military retirees is described in more detail in the "Retired Members of the Armed Forces" subsection.

Preference Types

Preference-eligible veterans qualify for different types of preference depending on the nature of their service and the assessment method used for the particular position. Preference types are summarized in **Table 1**. Under numerical rating, a veteran could qualify for ten, five, or zero points that are added to the veteran's final assessment score. Under category rating, eligible veterans are assigned a preference code, and then based on the code and the position, the veteran applicant is moved to the top of the veteran's assigned category or up to a higher category.

Preference for Veterans with a Service-Connected Disability[9]

The strongest preference is given to veterans with service-connected disabilities, regardless of the assessment method used. Under the numerical rating method, veterans with service-connected disabilities and veterans who are Purple Heart recipients are eligible for a *10-point preference*. When category rating is used, veterans with service-connected disabilities are divided into three groups

[7] The term "preference eligible" is established and defined in statute at 5 U.S.C. 2108(3) and established and defined in regulations at 5 C.F.R. 211.102(d).

[8] Preference categories are established in statute at 5 U.S.C. 2108-2108a. Actual point values are assigned in 5 U.S.C. 3309. Regulations related to veterans' preference are established at 5 C.F.R. 211.

[9] Veterans who have injuries or illnesses that were caused or aggravated by military service are assigned a disability rating by the Department of Veterans Affairs. The scale is from 0% to 100% in increments of 10%. For more information on disability determinations and ratings, see the "Veterans Disability Compensation" section of CRS Report R41289, *Disability Benefits Available Under the Social Security Disability Insurance (SSDI) and Veterans Disability Compensation (VDC) Programs*, by William R. Morton.

- veterans with service-connected disabilities rated at 30% or higher (CPS);
- veterans with service-connected disabilities rated between 10% and 30% (CP); and
- veterans with service-connected disabilities rated below 10% and Purple Heart recipients (XP).[10]

The CPS and CP designations can also be relevant in some cases when numerical rating is used. These cases are described in subsequent sections.

Preference for Veterans Without a Service-Connected Disability

Veterans who do not have a service-connected disability can qualify for preference on the basis of serving during a qualified time period or in a qualified military campaign. Veterans who qualify under one of these criteria are eligible for a *five-point preference* under numerical rating or a TP designation under category rating.

A veteran is eligible for this type of preference if the veteran's active duty service occurred in one of the following circumstances:[11]

- in a war;[12]
- in a campaign or expedition for which a campaign badge has been authorized;[13]
- during the period beginning April 28, 1952, and ending July 1, 1955;
- for more than 180 consecutive days, other than for training, any part of which occurred during the period beginning February 1, 1955, and ending October 14, 1976;
- during the period beginning August 2, 1990, and ending January 2, 1992; or
- for more than 180 consecutive days, other than for training, any part of which occurred during the period beginning September 11, 2001, and ending on August 31, 2010, the last day of Operation Iraqi Freedom.[14]

Veterans who would meet the five point/TP criteria but did not meet the length of service requirement due to a sole survivorship discharge[15] are eligible for a *zero-point preference* under the numerical system or an SSP preference code under category rating. This form of preference gives the veteran an advantage over a nonveteran candidate who received an identical assessment score or ranking.

[10] The CPS, CP, and XP acronyms are used throughout veterans' preference documentation. When these acronyms are introduced, they are not aligned with terms that match the letters in each acronym. For example, see Preference Categories at https://www.fedshirevets.gov/job/vetpref/. These subgroups are not codified in statute.

[11] See 5 U.S.C. 2108.

[12] For the purposes of veterans' preference, "war" means only armed conflicts declared by Congress as a war. The last conflict to meet this criterion was World War II.

[13] For a list of qualified campaigns, see Appendix A of the Office of Personnel Management Vet Guide at https://www.opm.gov/policy-data-oversight/veterans-employment-initiative/vet-guide/.

[14] The August 31, 2010, ending date for this population has been codified in regulations (5 C.F.R. 211.102[a][6]), but has not yet been codified in statute. Statute refers to "the last date of Operation Iraqi Freedom."

[15] For more information on sole survivorship discharges, see 10 U.S.C. 1174(i).

Table 1. Types of Veterans' Preference

Type of Preference	Preference Code	Additional Points
Service-connected disability		
Disability rating of 30% or more	CPS	10
Disability rating of at least 10% but less than 30%	CP	10
Disability rating less than 10% or Purple Heart Recipient	XP	10
No service-connected disability		
Preference eligibles with no disability rating	TP	5
Sole Survivorship Preference	SSP	0

Source: Adapted from Feds Hire Vets website, https://www.fedshirevets.gov/job/vetpref/index.aspx; also see 5 U.S.C. 2108, 5 U.S.C. 3309, and 5 C.F.R. 211.

Note: Under category rating, preference is given in the order listed in the table, with CPS veterans receiving the highest preference.

Veterans Not Eligible for Preference

A former member of the Armed Forces is *not* eligible for preference if he or she did not meet any of the aforementioned criteria required for preference. Thus, to be nonpreference eligible

- the veteran does not have service-connected disability, *and*
- the veteran's period of active duty does not align with any of the qualified timeframes or does not meet the required duration of service in those timeframes, *and*
- the veteran did not serve during a war or in a campaign or expedition for which a campaign badge has been authorized.

When applying for federal positions, former members of the Armed Forces who do not qualify for preference are subject to the same assessment and selection processes as nonveterans.

Retired Members of the Armed Forces

Eligibility for preference is slightly different for retired members of the Armed Forces.[16] A veteran who retires from the Armed Forces may only claim veterans' preference if the veteran either (1) has a service-connected disability or (2) retired below the rank of major or its equivalent (O-4). Thus, a nondisabled military retiree who retires at or above the rank of major or its equivalent may not claim veterans' preference.

Regardless of preference eligibility, a separate policy generally prohibits retired members of the Armed Forces from being appointed to civilian positions at the Department of Defense (DOD) within 180 days of retirement. This waiting period only applies to retired members of the Armed

[16] Statute defines a retired member of the Armed Forces as "a member or former member of the armed forces who is entitled, under statute, to retired, retirement, or retainer pay on account of service as a member." See 5 U.S.C. 2108(4)-(5).

Forces and civilian positions at DOD.[17] It does not apply to veterans who separated for reasons other than retirement or veterans who work at agencies other than DOD.

Derived Preference

In certain scenarios, a spouse, widow/widower, or parent of a veteran may qualify for preference if the veteran is not able to use it. In these cases of derived preference, the qualified family member is eligible for a 10-point/XP preference.[18]

- A *spouse* is eligible if the veteran has a service-connected disability and has been unable to qualify for any position in the civil service.
- A *widow/widower* of a veteran is eligible for preference if the widow/widower is unmarried *and* either
  - the veteran served during a war *or* during the period from April 28, 1952, through July 1, 1955, *or* in a campaign or expedition for which a campaign badge has been authorized; *or*
  - the veteran died while on active duty that included service described immediately above under conditions that would not have been the basis for other than an honorable or general discharge.
- A *parent*[19] of a veteran is eligible if (1) the veteran is permanently and totally disabled, or (2) the veteran died under honorable conditions while on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized, *and*, in addition to meeting criteria (1) or (2),
  - the spouse of the parent is totally and permanently disabled; *or*
  - the parent, when preference is claimed, is unmarried; *or*
  - the parent, when preference is claimed, is married but legally separated from his or her spouse.

Derived preference means that not all persons who are eligible for veterans' preference are veterans. In light of this, and because not all veterans qualify for preference, the remainder of this report will use the term "preference eligible" to refer to individuals who are eligible for any form of veterans' preference.

Application of Veterans' Preference

For federal positions that are filled using the competitive examination process, candidates are typically assessed on the basis of their qualifications relative to the requirements of the position. The candidates with the highest assessments are then eligible for selection.[20] Veterans' preference applies in both the assessment and selection processes.

[17] See 5 U.S.C. 3326.

[18] Criteria in this description are based on 5 U.S.C. 2108 and the descriptions of Derived Preference at https://www.fedshirevets.gov/job-seekers/veterans-preference/family-member-preference/.

[19] Prior to the enactment of the Gold Star Fathers Act of 2015 (P.L. 114-62), this preference was limited to mothers of veterans. Some veterans' preference documents may not yet have been updated to reflect this change.

[20] For more information on merit system principles, see 5 U.S.C. 2301. For more information on assessment tools and procedures, see U.S. Office of Personnel Management, *Delegated Examining Operations Handbook: A Guide for Federal Agency Examining Offices*, May 2007, at https://www.opm.gov/policy-data-oversight/hiring-information/competitive-hiring/deo_handbook.pdf, pp. 41-56 and 90-102. (Hereinafter, "DEO Handbook.")

Application of Veterans' Preference in Assessment

Preference is applied during the assessment process by giving preference-eligible candidates favorable treatment relative to similar nonpreference eligible candidates. The exact process depends on what assessment process is used, the type of position being filled, and the type of preference for which the preference eligible qualifies. This section describes the most common applications of preference.

Preference is only applied in cases where the candidate meets the minimum qualifications for the position. In cases where the applicant is not at least minimally qualified, preference is not considered and the candidate cannot be selected for the position.

Application in Category Rating[21]

Under the category rating method, applicants are assigned to a "quality category" on the basis of their qualifications (e.g., minimally qualified, well qualified, or highly qualified). The application of veterans' preference in the category rating method varies by the type of preference and position.[22]

When category rating is used to fill a scientific or professional position at GS-9 or above,[23] each veteran goes to the top of the quality category for which he or she qualified. In practice, this means that veterans who qualify for the highest quality category will be the highest-ranked candidates. In cases where there are multiple veterans at the top of a category, CPS veterans are listed first, followed by CP, XP, TP, and SSP veterans, in that order.[24]

For positions other than the aforementioned scientific or professional positions at GS-9 or above, a preference eligible goes to the top of the quality category for which he or she was assigned, *except* that veterans in any quality category with a service-connected disability rated at 10% or higher (that is, veterans in the CPS and CP categories) "float" to the top of the highest quality category.[25] This means that a minimally qualified CPS or CP veteran could "float" to ranking higher than a highly qualified nonveteran. The float process is illustrated in **Figure 1**.

[21] For more information on category rating, see 5 U.S.C. 3319; 5 C.F.R. Part 337, Subpart C; DEO Handbook, Chapter 5; and U.S. Office of Personnel Management, "The President's Hiring Reform Initiative, Category Rating," https://www.opm.gov/policy-data-oversight/human-capital-management/hiring-reform/reference/hrspecialisttraining.pdf.

[22] When the category rating applicant pool also contains qualified Interagency Career Transition Assistance Program (ICTAP) eligibles or qualified "eligibles who lost consideration due to erroneous certification," applicants from these two groups are listed above preference eligibles. See DEO Handbook, p. 106.

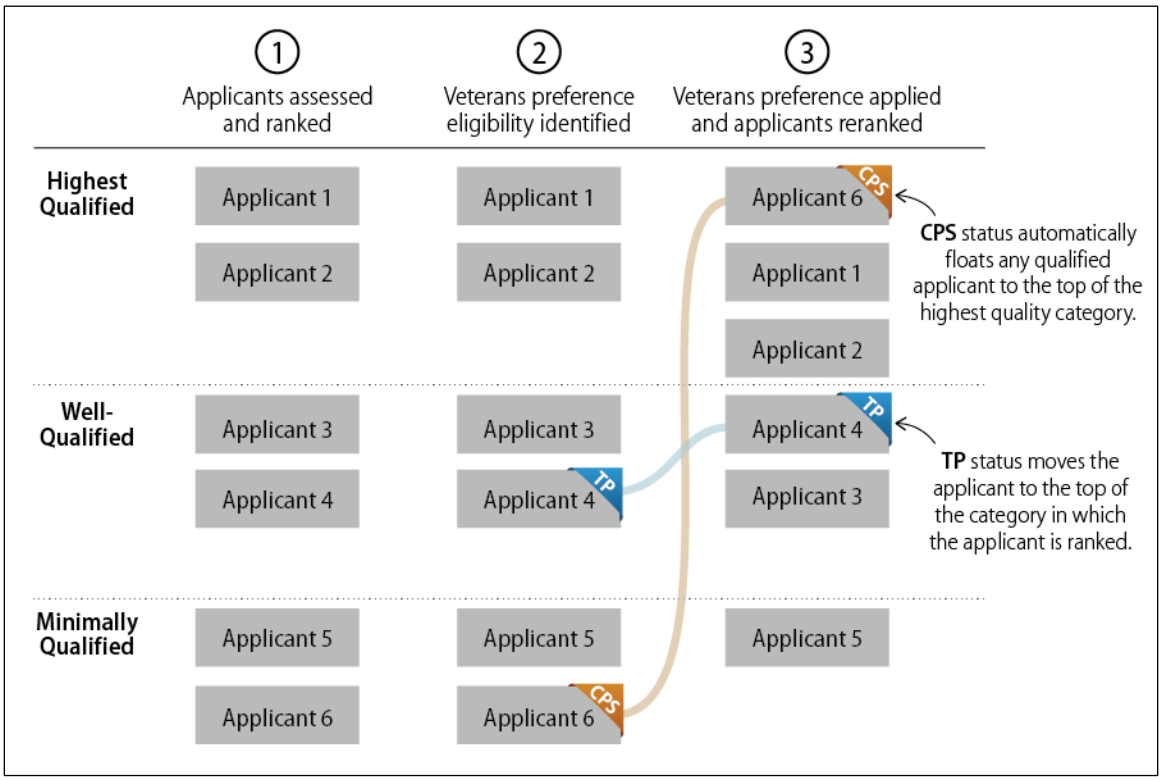
[23] For a list of Professional and Scientific Positions, see Appendix K of DEO Handbook. For descriptions of each position, see the U.S. Office of Personnel Management, *Handbook of Occupational Groups and Families*, https://www.opm.gov/policy-data-oversight/classification-qualifications/classifying-general-schedule-positions/occupationalhandbook.pdf.

[24] Being listed above nonveterans is significant for preference eligibles because if a preference eligible is listed first, the selecting official must either select a preference eligible or complete a pass over procedure to disqualify the preference eligible. This process is described in more detail in the subsequent section.

[25] See DEO Handbook, p. 106; and slides 29-31 of an OPM slideshow at https://www.opm.gov/policy-data-oversight/human-capital-management/hiring-reform/reference/hrspecialisttraining.pdf.

Figure 1. Example of Application of Veterans' Preference Under Category Rating

Process for positions *other than* scientific and professional positions at GS-9 and above



Sources: CRS analysis of Delegated Examining Operations Handbook and OPM guidance on category rating.

Application in Numerical Rating[26]

Under the numerical rating system, candidates' qualifications are assessed on a 100-point scale. Veterans' preference points are added to preference eligibles' assessed scores, increasing the likelihood that a preference eligible will be among the highest-ranked applicants.[27] **Table 2** summarizes how each form of preference is applied to different job types.

When numerical rating is used to fill a scientific or professional position at GS-9 or above, veterans' preference points are added the applicant's assessed score. The additional points mean that it is possible for a preference eligible to have an assessed score of more than 100. If a qualified preference eligible is not among the (typically three) highest-scoring applicants after the addition of preference points, the preference eligible will not be among the applicants forwarded to the hiring official.

For positions other than the aforementioned scientific or professional positions at GS-9 or above, veterans' preference points are added to the applicant's assessed score *except* that preference eligibles with a service-connected disability rated at 10% or higher (that is, preference eligibles in the CPS and CP categories) who are assessed to have any qualifying score automatically "float"

[26] More information on numerical rating is available at 5 U.S.C. 3317-3318; and 5 C.F.R. Part 337, Subpart A.

[27] When the applicant pool also contains qualified Interagency Career Transition Assistance Program (ICTAP) eligibles or qualified "eligibles who lost consideration due to erroneous certification," applicants from these two groups are listed above preference eligibles. See DEO Handbook, p. 138.

to the top of list, regardless of their scores.[28] This means that any CPS or CP preference eligible who is at least minimally qualified will be ranked above nonpreference eligibles.

Table 2. Treatment of Qualified Preference Eligibles in Numerical Rating and Category Rating Assessment Processes

Type of Job	CPS and CP Preference Eligibles		Other Preference Eligibles	
	Numerical Rating	Category Rating	Numerical rating	Category Rating
Scientific or professional positions at GS-9 or above	10 points are added to assessed score; in cases of tied scores, preference eligible is listed first	Listed at the top of the quality category for which the candidate qualifies	10/5/0 points are added to assessed score; in cases of tied scores, preference eligible is listed first	Listed at the top of the quality category for which the candidate qualifies
Other positions	Float to the top of the list, above the highest assessed score	Float to the top of the highest quality category	10/5/0 points are added to assessed score; in case of tied scores, preference eligible is listed first	Listed at the top of the quality category for which the candidate qualifies

Source: CRS analysis of 5 U.S.C. 3319 and corresponding agency guidance.

Application of Veterans' Preference in Selection and Pass Over Procedures

In cases where a preference eligible is among the highest-ranked candidates (either among the highest numerical scores or in the highest quality category), the hiring official must either (1) select a preference eligible or (2) formally pass over the preference eligible.[29] To pass over a preference eligible, it is necessary to disqualify the preference eligible. A hiring official may not pass over a qualified preference eligible simply because the hiring official considers a nonpreference eligible to be the most qualified candidate.[30]

Application in Category Rating

If there are no preference eligibles in the highest-quality category, the hiring official may select any candidate in the highest category. If there is a preference eligible in the highest category, either through being assigned to that category in the assessment process or through the float procedure, the selecting official may not select a nonpreference eligible in that category without first passing over the preference eligible.[31]

[28] See 5 U.S.C. 3313.

[29] Technically, a hiring official may object or pass over a preference eligible. The processes for objecting and passing over a preference eligible are similar. For simplicity, this report will only discuss passing over. See 5 U.S.C. 3318 and 5 C.F.R. 332.406 for more information on pass overs.

[30] In cases where there are multiple preference eligibles at the top of the list, it is necessary for the hiring official to pass over all preference eligibles before selecting a nonpreference eligible.

[31] See DEO Handbook, p. 110.

Application in Numerical Rating

Under numerical rating, the candidates with the three highest assessed scores are on the certificate that is forwarded to the hiring official ("rule of three").[32] The hiring official may select any of the candidates on the certificate, except that the hiring official may not choose a nonpreference eligible over a preference eligible without completing a pass over procedure.[33]

Passing Over a Preference Eligible

To pass over a preference eligible, an agency must establish "proper and adequate" reasons to disqualify the candidate.[34] Proper and adequate reasons include (but are not limited to) lack of sufficient education or experience (when the job requires minimum education or experience), intentional false statements in the examination process, or an unsatisfactory performance rating in previous federal employment.[35]

In the case of a veteran without a service-connected disability or a veteran with a service-connected disability rated below 30%, the pass over may be approved by the hiring agency if the agency has been granted delegated examining authority by the Office of Personnel Management (OPM). In the case of a veteran with a service-connected disability rated at 30% or more (i.e., a CPS veteran) or in cases where the hiring agency has not been given delegated examining authority, the pass over must be sustained by OPM. A CPS veteran is entitled to advance notice of a proposed pass over. The CPS veteran may respond to the hiring official's reason for pass over. The veteran must submit a response to OPM within 15 days of being notified of a proposed pass over.[36]

If the hiring agency cannot establish proper and adequate reasons to disqualify a preference eligible, the hiring agency may not pass over the preference eligible. An agency may not grant a pass over request because the hiring official considers a nonpreference eligible in the highest quality category to be a more suitable applicant than a preference eligible in the same category.[37]

Data on the Employment and Hiring of Veterans in the Federal Government

The most recent data on the employment of veterans in the executive branch are from FY2016.[38] Data in this section refer to nonseasonal, full-time, permanent employees.[39]

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[32] In cases where a CPS or CP veteran floated to the top of the list, the CPS or CP veteran will be listed above the highest assessed scores.

[33] See DEO Handbook, p. 159.

[34] See 5 U.S.C. 3318 and DEO Handbook, p. 163

[35] See DEO Handbook, pp. 159-160.

[36] See 5 U.S.C. 3318(b)(2) and DEO Handbook, p. 164.

[37] The combination of the "float" process for CPS and CP veterans and the pass over requirements means that, for certain jobs, a hiring official may not be able to select a highly qualified nonveteran without establishing adequate reasons for passing over a minimally qualified CPS or CP veteran.

[38] Data in this section are from U.S. Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch Fiscal Year 2016*, https://www.fedshirevets.gov/veterans-council/veteran-employment-data/employment-of-veterans-in-the-federal-executive-branch-fy2016.pdf.

[39] In FY2016, permanent, nonseasonal, full-time, employees accounted for about 89% of total on-board federal employees as defined by the report cited in the prior footnote. See Appendix 1 of the report for agencies covered by the

Table 3 shows that veterans with preference accounted for 28% of all permanent, nonseasonal, full-time, executive branch employees in FY2016.[40] The share of veterans in the federal workforce was substantially higher than the share of veterans in the overall civilian labor force: in 2016, veterans accounted for about 7% of all workers.[41] The two federal agencies with the largest numbers of veterans (the Departments of Defense and Veterans' Affairs) were also the two agencies with the largest number of employees.

Veterans with preference accounted for 37% of federal new hires in FY2016. Disabled veterans were about half of the veterans with preference, accounting for 18% of total new hires during that year. The agencies with the largest numbers of hires (in terms of overall hires and veteran hires) were the Department of Defense and the Department of Veterans Affairs. Combined, these two departments accounted for about 65% of total new hires and 73% of newly hired veterans with preference across all executive agencies.[42]

Table 3. Employment and Hiring of Veterans at Executive Agencies, FY2016

Nonseasonal, full-time, permanent employees

	Total	Department of Defense	Department of Veterans' Affairs	All Other Agencies
Total Employees	**1,823,665**	**636,144**	**333,264**	**854,257**
Veterans with preference	514,555	269,646	97,492	147,417
Percentage of total employees	28.2%	42.4%	29.3%	17.3%
Disabled veterans	244,200	126,766	57,578	59,856
Percentage of total employees	13.4%	19.9%	17.3%	7.0%
New Hires	**125,757**	**50,370**	**31,339**	**44,048**
Veterans with preference	47,043	23,523	11,033	12,487
Percentage of new hires	37.4%	46.7%	35.2%	28.3%
Disabled veterans	22,930	9,424	7,334	6,172
Percentage of new hires	18.2%	18.7%	23.4%	14.0%

Source: Tables 2A, 2B, 2C, 4B, and 4C, U.S. Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch Fiscal Year 2016*, https://www.fedshirevets.gov/veterans-council/veteran-employment-data/employment-of-veterans-in-the-federal-executive-branch-fy2016.pdf.

Notes: Disabled veterans are a subset of veterans with preference. "All other agencies" was calculated by subtracting VA and DOD employees from total employee data in the report.

The share of veteran new hires being higher than the share of overall veteran employees aligns with a recent increase in the overall share of veterans employed in the executive branch. In

report.

[40] This proportion is limited to veterans with preference. When veterans without preference are considered, veterans accounted for 31% of federal employees in FY2016. See ibid., Table 2.

[41] U.S. Bureau of Labor Statistics, *Employment Situation of Veterans, 2016*, Table A, https://www.bls.gov/news.release/archives/vet_03222017.pdf.

[42] U.S. Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch Fiscal Year 2016*, https://www.fedshirevets.gov/veterans-council/veteran-employment-data/employment-of-veterans-in-the-federal-executive-branch-fy2016.pdf, Table 4B.

FY2010, veterans with preference accounted for 25% of total federal employees and the proportion increased each year to its FY2016 level of 28%.[43]

Selected Issues for Congress

Recent Congresses have devoted some attention to proposing revisions or reforms to veterans' preference. As this has occurred, some competing interests and issues have surfaced. One type of proposal that has been forwarded focuses on placing some limitations on existing preferences. This could result in greater emphasis being placed on federal agencies selecting job applicants with the highest job-related qualifications. Other types of proposals would expand veterans' preference to incentivize and reward military service. Still other proposals, such as simplifying preference criteria, relate to administration and would not necessarily strengthen or weaken preference. The bullet points below briefly describe the principles of proposals that have been introduced in the 114th and 115th Congresses that would substantively revise veterans' preference in competitive examination.[44] Also described are recommendations from federal agencies.

- *Limitations on veterans' preference*. Under current law, preference eligible status is a permanent designation and a preference eligible can use his or her status an unlimited number of times. Some proposals would limit preference by establishing limits on the number of times a veteran may use preference.[45]
- *Alternate forms of preference for veterans who do not currently qualify*. As noted previously, some former members of the Armed Forces are not eligible for veterans' preference. Some Members of Congress have suggested amending preference laws to extend preference to veterans who do not currently qualify.[46]
- *Simplification of preference procedures*. The different forms of preference and the varied applications of preference can make it difficult for veterans to understand their preference rights. Similarly, the complexity of preference rules may increase the likelihood of an agency misapplying preference. Simplified eligibility and selection policies may reduce errors and provide clarity for veterans and hiring agencies.[47]

[43] Ibid., Table 2. Data from FY2010 are from Table 2 of the 2014 edition of the OPM report cited throughout this section, see https://www.fedshirevets.gov/veterans-council/veteran-employment-data/employment-of-veterans-in-the-federal-executive-branch-fy2014.pdf.

[44] The bills discussed in this section are the result of searches for legislation from the 114th and 115th Congresses that contained various terms related to veterans' preference or references to sections in Title 5 of the U.S. Code where preference is established.

[45] The introduced version of S. 2943 in the 114th Congress (National Defense Authorization Act for Fiscal Year 2017) included a provision that specified that once a preference eligible was selected for a position, the preference eligible would not be awarded additional points in subsequent application. For more information, see Lisa Rein, "Senate votes to scale back federal job preference for veterans," *Washington Post*, June 7, 2016. This provision was not included in the final NDAA (P.L. 114-328).

[46] For example, S. 2235 in the 115th Congress would establish a new classification of veterans for members of the reserves who served qualified durations. Under S. 2235, this new classification of veterans would receive a form of preference that is weaker than that for current five-point/TP veterans. Another example is H.R. 3158/S. 1325 in the 115th Congress, which proposes, among other provisions, to eliminate the requirement that the 180 days of service for certain veterans be consecutive. This would extend preference eligibility to members with intermittent active duty that totaled 180 days.

[47] Merit Systems Protection Board, *Veterans Hiring in the Civil Service: Practices and Perceptions*, August 2014, Chapter Six, http://www.mspb.gov/mspbsearch/viewdocs.aspx?docnumber=1072040&version=1076346.

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