## COMMONWEALTH OF PENNSYLVANIA HOUSE OF REPRESENTATIVES

## VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS COMMITTEE HEARING

STATE CAPITOL HARRISBURG, PA

IRVIS OFFICE BUILDING ROOM G-50

WEDNESDAY, MARCH 7, 2012 1:02 P.M.

PRESENTATION ON
HB 1092 AND HB 1152
CIVIL SERVICE LAW REFORMS

## **BEFORE:**

HONORABLE STEPHEN BARRAR, MAJORITY CHAIRMAN

HONORABLE KAREN BOBACK

HONORABLE FRANK A. FARRY

HONORABLE MARK M. GILLEN

HONORABLE SCOTT E. HUTCHINSON

HONORABLE THOMAS P. MURT

HONORABLE CHRIS SAINATO, DEMOCRATIC CHAIRMAN

HONORABLE BRYAN BARBIN

HONORABLE TINA M. DAVIS

HONORABLE MARIA P. DONATUCCI

HONORABLE NEAL P. GOODMAN

HONORABLE WILLIAM C. KORTZ II

HONORABLE JAKE WHEATLEY

## ALSO IN ATTENDANCE:

HONORABLE MARK LONGIETTI

\* \* \* \* \*

Pennsylvania House of Representatives Commonwealth of Pennsylvania

1	COMMITTEE STAFF PRESENT:
2	RICHARD T. O'LEARY MAJORITY EXECUTIVE DIRECTOR
3	SEAN E. HARRIS
4	MAJORITY RESEARCH ANALYST
5	JENNIFER A. TYLER
6	DEMOCRATIC EXECUTIVE DIRECTOR
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11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

1	INDEX
2	TESTIFIERS
3	* * *
4	<u>NAME</u> <u>PAGE</u>
5	JACK WAGNER
6	AUDITOR GENERAL OF PA5
7	
8	MAJ. GEN. RANDALL R. MARCHI
9	COMMANDER, HEADQUARTERS, 28TH INFANTRY DIVISION;
10	BUREAU DIRECTOR OF STATE AND FEDERAL AUDITS,
11	DEPARTMENT OF THE AUDITOR GENERAL22
12	
13	REBECCA BURNS29
14	
15	JOHN A. BRENNER
16	CHAIRMAN, PA STATE VETERANS COMMISSION43
17	
18	KIT WATSON
19	SECRETARY, PA WAR VETERANS COUNCIL47
20	
21	JOHN E. STEVENS
22	CHAIRMAN, PA STATE CIVIL SERVICE COMMISSION50
23	
24	JEFFREY T. WALLACE
25	COMMISSIONER, PA STATE CIVIL SERVICE COMMISSION52

1	TESTIFIERS (cont'd):
2	FREDERICK SMITH
3	CHIEF COUNSEL,
4	PA STATE CIVIL SERVICE COMMISSION52
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
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1	PROCEEDINGS
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3	CHAIRMAN BARRAR: Good afternoon, everyone.
4	I'd like to call this meeting of the Veterans
5	Affairs and Emergency Preparedness Committee to order.
6	And I would ask our Auditor General, Jack Wagner, if
7	he would lead us in the Pledge of Allegiance.
8	AUDITOR GENERAL WAGNER: Yes, sir. Thank you,
9	Mr. Chairman.
10	
11	(The Pledge of Allegiance was recited.)
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13	CHAIRMAN BARRAR: I'm going to go a little bit out
14	of order here, and we have a little housekeeping business that
15	we have.
16	I was going to ask Representative Farry if he would
17	on Monday, March 12, at the call of the Chair, we're going
18	to have a committee meeting to take up two resolutions, and
19	they are both from Representative Farry, and I would ask him
20	if he would tell us what they are and give us a quick
21	explanation.
22	REPRESENTATIVE FARRY: Sure. Thank you, Chairman.
23	The first resolution actually relates to the F-35
24	Fighter Program. The F-35 has many suppliers in Pennsylvania.
25	It's currently being funded out of Washington, D.C., right now,

but there are some questions as to whether or not they are going to continue funding it. So I was reached out to by some of the manufacturers from Bucks County that supply some of the components and was asked to move forward with the resolution to our Congress and U.S. Senators, asking them to continue the program.

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The second resolution relates to legislation by Congressman Fitzpatrick recognizing Danny McIntosh, who is a paramedic that was killed in the line of duty in Bucks County 2 years ago. The death benefits that the Federal Government allots for police and firefighters do not include EMS personnel who are non-municipal employees. So many of our communities are protected by nonprofit ambulance squads that are funded by the municipalities, but their employees and volunteers are not considered municipal employees.

Mr. McIntosh died in the line of duty, left behind a wife and two children. So I'm working with Congressman

Fitzpatrick to help raise awareness, because our EMS community is not aware, a lot of our EMS community is not aware that they will not receive Federal death benefits if they die in the line of duty.

So Congressman Fitzpatrick has legislation in D.C. to fix this, and this is just being done to help drive awareness of this issue and to try and help the Congressman out.

CHAIRMAN BARRAR: Thank you, Representative. That meeting will be called at the call of the Chair on Monday.

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The purpose of our hearing today: We're here today to examine our State civil service system as it pertains to our veteran community. This session, we have several bills before the General Assembly on the subject of civil service reforms. In essence, this bill, these bills, are geared toward enhancing our State veterans' preference laws and their implications.

In our initial correspondence with the panel before us today, we've asked for their input on these five legislative proposals and, furthermore, invited them to comment on the heath of our State civil service system and our veterans' preference law.

With the many post-9/11 deployments of our military in support of Operations Enduring Freedom and Iraqi Freedom, Pennsylvania has an ever-increasing veteran community, composed of many young men and women looking for State and local government jobs. Therefore, the ground is indeed fertile for the General Assembly to examine our current veterans' preference law and practices for the betterment of our veteran community.

A sixth bill in the aforementioned package of bills was signed into law this year by Governor Corbett, and the prime sponsor of the bill was Representative Marsico. The bill has simply required that at least one member of the

Civil Service Commission be a member of the military, thereby allowing the veteran community to have a more direct voice on the important Civil Service Commission.

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The Governor appointed this year Gen. John Stevens, who is now the chairman of the commission. And I see

Mr. Stevens in the audience there, and I want to thank you for your service to our country.

We have an excellent panel of testifiers here before us today. I want to personally thank them for their participation here. Each panel is allotted 20 minutes for their presentation and a question-and-answer period.

And I would like to welcome our Auditor General, Gen. Jack Wagner, for being here today, and General, you may proceed when you are ready.

AUDITOR GENERAL WAGNER: Thank you, Mr. Chairman, Chairman Barrar, and Chairman Sainato and Members of the Veterans and Emergency Preparedness Committee.

Thank you for the opportunity to discuss potential changes to the State's Civil Service Law.

As Pennsylvania's independent fiscal watchdog, the Department of the Auditor General is responsible for making sure that tax dollars of hardworking Pennsylvanians are spent efficiently, effectively, and for their intended purpose.

The department audits government agencies and programs at the State and local level that receive State funds

or Federal funds that are passed through State government.

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Pennsylvania, as you are aware, is home to one of the largest veterans' populations in the nation, with more than 1.1 million Pennsylvania citizens who have proudly served our nation.

As a Vietnam veteran, I have made veterans' issues a priority throughout my life as a public official. I sat on the Veterans Affairs Committee during my 10 years as a Member of the State Senate, and as a Senator in 1995, I was part of a successful effort to save the 911th Airlift Wing in Moon Township, Allegheny County, when it was threatened with closure by the Base Realignment and Closure Commission.

As all of you are aware, there is an attempt to close the 911th again today, and it is great to see a bipartisan committee composed of some of you -- Federal, State, and local elected officials -- trying to save the base.

In addition, during my first year as Auditor

General, I held six breakfast meetings with veterans across the

State to hear their issues and issued a report that was then

sent to Governor Rendell and the General Assembly.

One of the most important reports I have issued as Auditor General was a 2008 special performance audit of the State Civil Service Commission on the Veterans' Preference Program.

The gentleman sitting to my left is Randy Marchi.

Randy is my Bureau Director of State and Federal Audits within the Department of Auditor General. He has been with the Department of the Auditor General for over 30 years and brings tremendous expertise to the auditing process, he and his people.

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In addition, Randy is a citizen-soldier. He is a Major General of the Pennsylvania National Guard and is the Commander of the 28th Division. He is passionate about people in the military and their families and also veterans and their families.

Pennsylvania's present law regarding veterans'
preference requires State agencies to hire any veteran who
possesses the requisite qualifications and whose name appears
in the top three of any eligible list that is certified and
provided by the Civil Service Commission.

The purpose of Pennsylvania's Veterans' Preference Program is to give veterans credit for the discipline and the experience represented by their military training and for the loyalty and public spirit demonstrated by their service to their country.

"Veterans' preference" refers to the additional benefits given to qualifying veterans. By authority of the Military Affairs Act of 1975 and the Civil Service Act, eligible veterans receive 10 additional points to their civil service test score and, as a result, have mandatory hiring

preference if the veteran has one of the three highest exam scores for the position. In addition, a hiring agency may give preference to any qualified veteran on a job list regardless of where his or her score falls on that list.

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We began our special performance audit following a complaint I personally received from a military veteran who said that the Commonwealth had not been applying veterans' preference in its employment decisions or had been applying the preference in an unsatisfactory manner.

Our audit, which covered the period from July 1, 2002, to June 30, 2006, and was released in November of 2008, found that the Civil Service Commission was lax in its administration and oversight of the Veterans' Preference Program.

Specifically, our auditors found that 25 State agencies filled at least -- and I repeat -- at least 569 civil service employment positions without considering eligible veterans looking for jobs whose test scores ranked among the top three highest for each position. State agencies filled two-thirds of the employment vacancies by discarding employment lists that included the names of qualified veterans and instead used employment lists that excluded veterans seeking jobs with the Commonwealth.

Our auditors found that at least 26 job positions were not filled with veterans because agencies requested

multiple employment lists for the same job position by changing the county work location and subsequently hired from a list that did not have a veteran within the top three highest scores. Auditors also found that agencies opted to generate employment lists that included veterans seeking employment when filling another 212 positions.

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Members of the committee, the Civil Service

Commission must require all agencies to fill positions from

civil service employment lists that include qualified veterans

seeking employment, unless agencies provide written

justification in using other employment lists.

For a State agency to fill a vacant civil service position, it must first request employment lists from the State Civil Service Commission. The agency will then hire an applicant from one of the requested employment lists and cancel the other lists that are not used.

The Civil Service Commission indicated it has certain monitoring tools, including a post-audit process, of who was hired and an employment list review process. However, our auditors found deficiencies in the Civil Service Commission's monitoring efforts that needed improvement, and this was all indicated in our audit.

As part of administering the Veterans' Preference

Program, the Civil Service Commission must ensure that adequate

controls, including written procedures and supervisory review,

are in place so that application information is processed accurately and promptly and that the applicant's final scores are correctly determined and entered properly into the computer system.

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Hiring qualified people is vital for the

Commonwealth in order to provide essential programs and
services to the citizens of Pennsylvania. The Veterans'

Preference Program is an instrument to aid the Civil Service

Commission in hiring qualified individuals, because veterans
possess discipline and experience as a result of their military service.

I think that anyone who reads our audit that was released several years ago will likely conclude that the Civil Service Commission at that time did not do all it could to enforce the law and the spirit of the law.

We called on the Civil Service Commission to tighten its oversight to take advantage of this excellent program as an instrument to aid in hiring qualified individuals to do the work Pennsylvania citizens count on each and every day.

To improve the program's effectiveness for

Pennsylvania taxpayers and veterans alike, our special

performance audit made 19 recommendations at the time.

Thirteen of those recommendations the commission implemented during or before the release of our audit. That was a good thing. However, several were not implemented at the time.

But most importantly, we recommended that the Civil Service Commission should do the following:

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Number one, require all agencies to fill positions using lists that include veterans seeking employment with the Commonwealth, unless agencies provide written -- and I repeat -- written justification for the need to request and fill positions from other types of lists.

Now, we found out that there was not written justification. An example: If you need a civil engineer for a position and there is not a civil engineer, you can go to another list; there is not a qualified veteran. But what we found repeatedly in our audit is that there was not written justification to fill that position by going to another list.

Second, improve the post-audit process to include a comparison of the canceled employment list with the employment lists used to hire in order to ensure that veterans' preference is not circumvented.

Number three, develop policies, written policies, and procedures for processing veterans' preference forms, including date-stamping -- something vitally important -- and monitoring to ensure data is processed in a timely manner.

And number four, establish computer controls to eliminate agencies' capability to hire applicants by using canceled employment lists through the State computer system.

The one recommendation that I felt was most

important was requiring one of the members of the Civil Service Commission to be a veteran. At the time, I argued that having a veteran on the board would make sure that veterans' perspectives -- in other words, veterans' issues -- would always be considered, and it would reassure Pennsylvania's proud military veterans that their voices were being heard.

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I commend the Members of this committee. I also commend Governor Corbett and the entire General Assembly for setting this requirement into law with the passage of Act 76 of 2011. My hat is off to you.

As the unemployment rate for veterans returning from Iraq and Afghanistan remains stubbornly high, it is comforting to know that a fellow veteran will be on the commission to look out for the best interests of all veterans. As all of you know, that person is Maj. Gen. (Retired) John Stevens, who is in the audience today and will be testifying later.

With regard to the bills that are the focus of this hearing, I would like to express my support for all of them, because we should be doing all we can to help veterans obtain jobs through these tough economic times, and as a matter of fact, at all times. Today, the unemployment rate for veterans is 50-percent higher than the average population. There is a great need to put special attention on hiring veterans.

HB 985 is a much needed bill, because there could be veterans applying for jobs through the Civil Service Commission

who are not aware of veterans' preference, and requiring a statement about it on the commission's Website and promotional materials makes everyone aware that such a benefit exists. So we fully support HB 985.

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HB 1090 would strengthen the law so that any qualified veteran who scores well enough on the civil service examination will be hired, because it would require that if a veteran is among the three highest ranking available candidates for a position, he or she must be hired. However, after further review, we believe there may be a potential weakness in the bill that could permit an agency to avoid hiring a qualified veteran if the hiring is done by a single list of multiple lists, and we'll explain that later. But we think that 1090 may need to be strengthened slightly.

HB 1092 is a valuable bill that provides additional assistance for veterans seeking employment through the Civil Service Commission. Now, the Office of Veteran Advocate will represent the interests of veterans before the Civil Service Commission and will ensure that veterans have a voice before the commission and, for that matter, any court, agency, or local government entity initiating proceedings affecting veterans.

HB 1152 codifies into law that veterans receive

10 points on the civil service examination and veterans'

preference for municipal jobs, which is something that should

already be commonplace but will now ensure veterans will 1 receive the benefits they deserve when applying for jobs at the local level. 3

And finally, HB 1262 creates the Civil Service Board of Appeals to hear appeals from the final determination of actions by the Civil Service Commission. The creation of a board of appeals is significant because it will allow veterans and other candidates the opportunity to appeal the decisions that they feel are wrong.

In summary, I commend the committee for the legislation you have passed. I further commend you for the bills that are in front of you. And we support the five bills that I had mentioned and, Mr. Chairman, would be happy to answer any questions.

Thank you.

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CHAIRMAN BARRAR: Thank you, General Wagner. appreciate your testimony.

I can tell I'm not on my game today, because I kind of went out of order on a few things here. I would ask, starting with Representative Gillen down on the end, if the Members would stand and, well, you don't have to stand, but at least identify yourself. Thank you.

REPRESENTATIVE GILLEN: Representative Mark Gillen from southern Berks County's 128th Legislative District.

REPRESENTATIVE LONGIETTI: Good afternoon.

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Representative Mark Longietti from the 7th District
 1
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      in Mercer County.
                 REPRESENTATIVE HUTCHINSON: Representative
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      Scott Hutchinson, 64th District, Venango and a portion of
 5
     Butler County.
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                 REPRESENTATIVE BARBIN: Representative Bryan Barbin,
 7
     71st District, Cambria County.
 8
                 REPRESENTATIVE DONATUCCI: Representative
 9
     Maria Donatucci from Philadelphia and Delaware Counties.
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                 REPRESENTATIVE DAVIS: Good afternoon.
                 Tina Davis, lower Bucks County, 141st.
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                 REPRESENTATIVE FARRY: Representative Frank Farry,
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      142d District in Bucks County.
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                 REPRESENTATIVE WHEATLEY: Representative
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      Jake Wheatley, Allegheny County, 19th Legislative District.
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                 MR. HARRIS: Sean Harris, majority Research Analyst.
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                 MR. O'LEARY: Rick O'Leary, Executive Director to
18
     the majority Chairman.
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                 REPRESENTATIVE SAINATO: Representative Chris
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      Sainato. I'm the minority Chairman from Lawrence County and a
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      small section of Beaver County.
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                 MS. TYLER: Jen Tyler, Executive Director to the
     minority Chairman.
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                 REPRESENTATIVE BOBACK: Representative Karen Boback,
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      and I represent parts of Luzerne, Wyoming, and Columbia
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Counties, House District 117. 1 2 REPRESENTATIVE MURT: Tom Murt, Philadelphia and Montgomery Counties. 3 REPRESENTATIVE KORTZ: Good afternoon. 4 5 Bill Kortz, Allegheny County, 38th District. 6 CHAIRMAN BARRAR: Thank you. Now at least you know 7 who is asking you questions, right? 8 AUDITOR GENERAL WAGNER: Thank you. CHAIRMAN BARRAR: I would start with, since I went 9 10 out of order here, I would ask Chairman Sainato, who is the 11 minority Chairman of the committee, if he would like to make 12 some comments and start the questioning off. 13 REPRESENTATIVE SAINATO: Sure. Thank you, Chairman 14 Barrar. 15 I would like to thank Auditor General Wagner for 16 joining us this afternoon, as well as all the testifiers who 17 are going to be with us. 18 I also would like to thank Chairman Barrar for 19 holding this hearing. This is an issue that is important to 2.0 all Members of the Veterans Affairs and Emergency Preparedness 21 Committee. 22 The Veterans' Preference Program in Pennsylvania 23 provides that veterans who pass the civil service exam receive 24 10 additional points on their employment, as you had said,

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General Wagner.

And I, too, was appalled to hear some of the results of that audit you did years ago. And I think it's important, and this committee takes this issue very seriously, as we've shown for the past year and a half.

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So I'm interested in hearing from everyone, and I would just like one question to you, General Wagner.

What tipped you off to this that there was a problem?

AUDITOR GENERAL WAGNER: Well, we received a complaint from an individual, and through further investigation we determined that this was not a singular problem with a singular person.

Consequently, our research people completed an analysis, and after further review with my Bureau Director and senior staff, we determined that a specific audit of the Veterans' Preference Program was justified.

And as a result, we initiated the audit, and the findings were startling in many ways -- to find out that State agencies were avoiding and directly using a list in an unjustified manner without any written justification to do so. Consequently, veterans that could have or should have been hired were not being hired.

REPRESENTATIVE SAINATO: All right. Thank you, General Wagner.

CHAIRMAN BARRAR: Representative Kortz.

REPRESENTATIVE KORTZ: Thank you, Mr. Chairman.

And thank you, General, for your testimony today and thank you for all the solid work you have done as our Auditor General.

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Sir, are there any plans to go back at the 1-year timeframe and re-audit these agencies? Since there are so many agencies and it looks like they had so many lists and there was just complete disarray, are there any plans to go back in that 1-year timeframe and take another look, a snapshot, at what they're doing?

AUDITOR GENERAL WAGNER: Well, we have followed up. I'm going to let Randy Marchi talk about that.

But in general, where we have the manpower to do so, we routinely follow up 1 year after an audit is completed to see if findings and recommendations have been implemented. And as I indicated in my testimony, we think a permanent, positive improvement of the Civil Service Commission is having a veteran sitting as one of the members of the commission who has empathy, knowledge, and understanding of what people in the military have contributed to the service of their country, and the fact that these laws are real and they need to be enforced.

And it's impossible for the Auditor General to be the daily overseer of each agency of State government. We do identify in our audits flaws that exist and make recommendations to all of you -- the General Assembly, the

public, and the Governor. But it is a permanent, positive improvement to have a veteran sitting as a member of the Civil Service Commission. And Randy, you may want to talk a little bit about some followup that we did.

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MAJOR GENERAL MARCHI: In 2010, we did an inquiry with the Civil Service regarding the afore findings and 19 recommendations, and they essentially responded, and out of the 19 recommendations, they included support that they resolved 15 of those. However, there was the first finding that was not resolved. They indicated that they disagreed with that particular finding, and that finding pertains to the lack of documentation and using the various lists that the agencies were using, which at times excluded the veterans' preference.

So again, out of 19 recommendations, they resolved 15.

CHAIRMAN BARRAR: Okay. Thank you.

REPRESENTATIVE KORTZ: Thank you, Mr. Chairman.

CHAIRMAN BARRAR: If they're going from several lists, I mean, how are the lists manipulated to eliminate the veterans' preference on there, or the veteran with the preference?

MAJOR GENERAL MARCHI: The veteran who is seeking a position is on a particular list. At the time of the audit, it was Code 11. So that veteran with the preference is on the Code 11 list, along with all other employees who sat for the

examination.

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There's a second list. At the time of the audit, it was a Code 12. That list would include the current employees of the hiring agency. So it would not include the veteran who was seeking a position; it would include the current employees of the hiring agency.

There's a third list. At the time, it was Code 14.

It would include the current State employees of all the agencies. Again, it would exclude the veteran seeking a job.

So during the audit, as the General indicated, they were using lists that would not include the veteran seeking the position. They would be using a list of either current State employees of the hiring agency or the current State employees of all the agencies.

CHAIRMAN BARRAR: Thank you.

MAJOR GENERAL MARCHI: Sir, did that answer your question?

CHAIRMAN BARRAR: Yes.

Representative Kortz, I interrupted you and I apologize. Okay.

Representative Barbin.

REPRESENTATIVE BARBIN: A followup on the question that was asked by the Chairman.

If there was the ability under law at the time to have a veterans' list and then an agency list and then an

all-State employee list, can those lists, as we speak today, can those lists still be used for the purposes of determining who's going to be hired? Are there still agency lists that would preclude a current veteran from being hired, or is there an all-State employee list that would preclude a veteran from being hired?

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AUDITOR GENERAL WAGNER: Well, I would -- number one, we haven't audited recently, and I think that would be an excellent question for the Civil Service Commission.

REPRESENTATIVE BARBIN: Okay. I thank you.

AUDITOR GENERAL WAGNER: Randy, do you want to add anything to that?

MAJOR GENERAL MARCHI: No, that's---

AUDITOR GENERAL WAGNER: Okay.

REPRESENTATIVE BARBIN: And, General, I want to thank you, because if you hadn't brought this issue to the attention of the Governor and the General Assembly, we wouldn't have been able to pass the bill last year.

AUDITOR GENERAL WAGNER: Thank you.

REPRESENTATIVE BARBIN: And I was looking at one other bill, and I would like your opinion on it. 1092 is the Veteran Advocate bill, and it says under that bill that we are going to avoid the same problem that we had with Civil Service; we are going to have a veterans' advocate, and you must be a veteran to be on that bill.

I was looking at it closely; would you be in favor 1 2 of also having that same qualification apply to the assistant veteran advocates and the clerical people that would be hired 3 by that agency? 4 5 AUDITOR GENERAL WAGNER: Do you mean for them to be 6 veterans? 7 REPRESENTATIVE BARBIN: Yes. 8 AUDITOR GENERAL WAGNER: Well, I think--- Do those 9 positions fall under civil service? 10 REPRESENTATIVE BARBIN: I don't know. I can't tell 11 by the bill. But what I'm worried about is this same issue. 12 AUDITOR GENERAL WAGNER: Okay. 13 REPRESENTATIVE BARBIN: The bill says that the 14 Veteran Advocate has to be a veteran, but if you're going to 15 have a special organization that is dealing with veterans---16 AUDITOR GENERAL WAGNER: Okay. I think it's always 17 healthy to try and hire a veteran. 18 REPRESENTATIVE BARBIN: Okay. And my last---19 AUDITOR GENERAL WAGNER: Whether that be -- and keep 2.0 in mind, and Randy Marchi can tell you better than I can, there 21 are a lot of good, qualified veteran women available today. 22 The unemployment rate for veterans is somewhere in 23 the 12-, 13-percent range. Obviously the general population is 24 somewhere in the 7-, 8-percent range. There are people coming back from Iraq and Afghanistan that don't have jobs, that need 2.5

jobs. Yes, I think preference should be given to veterans.

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REPRESENTATIVE BARBIN: Under the terms of this bill, there is also a statement that in addition to being an advocate before the Civil Service Commission, they can also, the Veteran Advocates can also represent, if they decide in their judgment the veteran's interest requires it, go to any other court proceedings or agency proceedings. And what I'm wondering is, we've had a lot of discussions about veterans court as an alternative way to try to make sure that a veteran is at least properly reviewed for the service that he made to the country.

What's your general position as to whether the

Veteran Advocate should also have a role, in limited

circumstance, in determining other court proceedings, not just

Civil Service Commission? Is this a good idea also for the

Veteran Advocate?

AUDITOR GENERAL WAGNER: Yeah. I'm not sure of the breadth of the legislation and how far it reaches. But if, in other words, if the position is not, if the individual and the people that are a part of that position are not overwhelmed and they can provide advice and counsel to veterans going in front of veterans court, sure.

It's a big Commonwealth and there are a lot of issues out there, but where possible, yes, I would be an advocate of that also.

1 REPRESENTATIVE BARBIN: Thank you. 2 Thank you, Mr. Chairman. CHAIRMAN BARRAR: Representative Farry. 3 REPRESENTATIVE FARRY: Thank you, Mr. Chairman. General, thank you for being here today and your 5 6 efforts on this issue. 7 One question. I just want to clarify something. Ιf 8 a veteran is one of the top three scoring on the Code 11 list, 9 the intent is for that veteran then to be hired as opposed to, 10 you know, potentially another veteran that's, say, fourth or 11 fifth on another list. Is that correct? 12 AUDITOR GENERAL WAGNER: Yes. 13 REPRESENTATIVE FARRY: Okay. I just wanted to 14 confirm that. 15 All right. Thank you, sir. 16 AUDITOR GENERAL WAGNER: Sure. 17 CHAIRMAN BARRAR: I have one last question. 18 In your testimony here, you said, one of your 19 statements was, in addition, a hiring agency may give 2.0 preference to any qualified veteran on a job list regardless of 21 where he or she scores and falls on that list. Is that done 22 very often? I guess that's saying if you score number 10, they 23 could still pick you out of that list and hire you. Is that --24 how would that work, or isn't it in conflict with the current 2.5 law?

AUDITOR GENERAL WAGNER: Well, let me first ask 1 2 Randy Marchi if we found that happening in our audit. 3 MAJOR GENERAL MARCHI: Very seldom, but it is in the 4 law though. CHAIRMAN BARRAR: So it doesn't conflict with the 5 6 law then? 7 MAJOR GENERAL MARCHI: Yes, it does not. One could, according to the list, according to the law, select a veteran 8 9 who may not be in the top three. 10 CHAIRMAN BARRAR: Based solely on---11 MAJOR GENERAL MARCHI: The law. 12 CHAIRMAN BARRAR: --- the fact that they're a veteran and no other reason. 13 14 MAJOR GENERAL MARCHI: Right. 15 CHAIRMAN BARRAR: Okay; good. Because I thought 16 maybe you were creating a conflict in that, so. Okay. 17 Any followup questions anybody? 18 General, I want to thank you, first of all, for your 19 work on this report. This was very enlightening to us. You've 2.0 really exposed a problem that I think most of us in the 21 legislature felt was, you know, wasn't an issue. We just 22 assumed it was being, you know, enforced, and we would have 23 thought that the veterans' preference would have been held as a 24 high priority in every agency in the State. 2.5 So we thank you for your work, and thank you for

taking the time out to come here to testify today. It means a
lot to us. Thank you.

AUDITOR GENERAL WAGNER: Thank you, Mr. Chairman and Members of the committee.

CHAIRMAN BARRAR: Moving on to our next testifier. We have Mrs. Rebecca Burns. Mrs. Burns was very instrumental in the passage of our legislation to have a veteran serve on the Civil Service Commission.

Mrs. Burns, it is a pleasure to have you here with us today. You can have a seat. Okay; when you're ready.

Get comfortable; we're all friends here.

MRS. BURNS: Thank you.

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CHAIRMAN BARRAR: It's good to have you here.

MRS. BURNS: Mr. Chairman and Members of the committee, I wish to thank you for inviting me to this hearing and for giving me the opportunity to bring to your attention some of the very serious concerns that I have about the State Civil Service Commission and its treatment of veterans.

There are innumerable examples that I could bring to your attention, including the commission's failure to address less obvious activities such as the way pay grades for vets, once employed, can be arbitrarily suppressed by HR offices.

But for today's testimony, I will limit my comments to three basic issues: the rule of three, suitability, and due process.

Very troubling precedents have been set by the Civil Service Commission's misapplication of laws and regulations in Burns v. The Pennsylvania Department of Transportation. Those precedents, if allowed to stand, undermine the most basic foundations of the State's merit system.

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The precedents that have been set permit any agency to refuse to interview a certified eligible veteran ranked within the rule of three and also permit agency human resource staff to use subjective criteria to weed out higher-ranking candidates under the guise of suitability.

Following are the highlights of this specific situation.

A family member was the highest-scoring veteran within the rule of three on the administration and management trainee certified eligible list.

The availability survey, which he returned expressing his interest in being considered for the position, stated that he would hear within 2 weeks and that interviews would be based on ranking.

Failing to hear anything further and after waiting for more than a month, he followed up by e-mail and telephone with PENNDOT in order to inquire as to when he would be scheduled for an interview.

He was told by an HR contact at PENNDOT that interviews had already been conducted and that the slot had

been filled. When he asked why he was not given an interview, she told him that the people interviewed were chosen based on résumés and not on their ranking on the civil service list.

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During that telephone conversation, PENNDOT's contact put an HR analyst with the Civil Service Commission on the phone. My family member then asked that analyst the same question, which was, how could he have been bypassed for an interview since he was the veteran holding the highest score within the rule of three?

He was told by the civil service analyst that the rule of three had been applied and that the rule of three simply means that if a veteran scores in the top three on the list, then by proxy, every veteran on the list becomes eligible for the position and that any veteran can be hired regardless of rank on the list.

Getting nowhere with either person, he then penned a formal letter of inquiry to the SCSC executive director, whose written response supported the SCSC analyst's assertion that the only benefit to a veteran for being ranked within the rule of three is the ability to act as a proxy for lower-scoring vets, and further, that it is perfectly acceptable to use résumés instead of scores and rankings to select who is given an interview.

My family member subsequently filed an appeal with the State Civil Service Commission. A hearing was scheduled

and the issue was that "...the appointing authority filled an AMT position without offering...an opportunity to interview for the position, despite the fact that appellant is a veteran and was ranked highest on the employment certification from which the appointment was made...."

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In the civil service ruling, you will find what can only be termed a "shocking and outrageous statement": The "...appellant would have the Commission interpret the...Management Directive...as requiring that the appointing authority must always interview veterans within the Rule of Three. We disagree with the appellant's interpretation."

Mr. Chairman and Committee Members, it doesn't get any more basic than the rule of three.

Please note, I have included applicable references in the written statement. I'm not going to read them.

Yet the Civil Service Commission in its infinite wisdom ruled that a veteran holding the highest score within the rule of three is not even entitled to an interview, and that precedent stands today.

My family member appealed being excluded from interview. He did not claim that he was entitled to the job.

In order to support their stance on veterans' preference as applied to the rule of three, the Commissioners proceeded to selectively and inappropriately impose language found in Law, Regulation and Directives.

The rabbit they pulled out of their hat to justify PENNDOT's conduct is a process known as suitability. The ruling says, "The management directive at issue also permits the appointing authority to interview all other veterans when the available veterans within the Rule of Three are not suitable; and it does not specify that the determination of suitability can be made only upon an actual interview."

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Yet, each and every one of the citations set forth by Civil Service in this adjudication refers to suitability for appointment or promotion. Not one of their sources references "suitability" for an interview.

On this topic, a State Supreme Court decision clearly says, "The appointing authority may not impose additional threshold requirements on a veteran under the guise that it is setting forth the 'requisite qualifications'...."

As for suitability, Title 51, section 7105, is clear when it says in part that "The lack of academic or scholastic training or experience...which does not in fact incapacitate any such soldier shall not be deemed to disqualify him...."

It is section 95.1 of the rules where the groundwork for the suitability process is established. Management Directive 580.34, "Removal of Eligibles for Certification or Appointment in the Classified Service," is the appropriate related directive.

Suitability is a formal procedure with both notification and due process requirements. Management Directive 580.34: "OBJECTIVE. To explain policy, responsibilities, and procedures when requesting the removal of an eligible from a civil service certification or from consideration for a specific job title...."

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The Civil Service Commissioners pulled out all stops to justify their application of suitability. To that end, they relied on the sworn testimony of the Chief of Section 1 of the Classification and Placement section of PENNDOT.

The ruling says, "The appointing authority presented credible testimony that it was seeking candidates for the AMT position who had experience as indicated in their resume related to the vacancy in question, namely experience in working in human resources, classification and placement."

Yet, a document in the Chief of Section 1's own handwriting was introduced showing that the candidate interviewed and selected for this slot had no HR experience.

That document also showed that of the nine veterans on the veterans' list, only one had some HR experience. Two of the three veterans selected by the PENNDOT Section Chief for interview had no HR experience, and one of the two with no HR experience was selected to fill the position.

There were actually 3 separate certified lists with a total of 17 names. Of those 17, only 2 candidates were

identified by the PENNDOT Section Chief as having HR experience and only 1 veteran as having some HR experience.

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That PENNDOT document is part of the official record. Despite that fact, the decision says, "In this case the appointing authority considered merit-based criteria to determine which of the veterans on the civil service list would be suitable to be interviewed; to require otherwise in this case would have been inefficient and contrary to the scope and spirit of the Act."

If the suitability rationale as upheld by the commission and applied to my family member is legitimate, then eight of the nine candidates on the veterans' list and six of the eight candidates on the remaining two lists should have also been deemed unsuitable for interview.

The Civil Service Commissioners had to know that section 601 of the State Civil Service Act, section 95.5a of the State Civil Service Rules, Management Directive 580.15, and the referenced State Supreme Court ruling lay out the basis and process for an appointing authority to request that the Executive Director of the Civil Service Commission establish a selective certification list of only those eligibles who "...meet specific job criteria or who possess special knowledge, skills and abilities essential to the performance of certain jobs."

In this situation, either such a list was not

requested by PENNDOT or the request was not authorized by Civil Service's Executive Director.

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Across the board, misapplication of law, regulation, and policy is unacceptable. It makes one question just how pervasive and institutionalized this conduct has become. At a minimum, it raises concerns about the relationship between the Civil Service Commission and the agencies that it is mandated to police.

While still under oath, the PENNDOT Section Chief changed his testimony, saying that Burns was not selected for an interview because the Chief thought that Burns would be bored. Merit-related criteria? I think not.

As so eloquently said in the Housing Authority decision, "Finally, we note that allowing an employer to develop additional hiring criteria for civil service positions would defeat the principal purpose of the Civil Service Act by opening the door to the very abuses which civil service testing was designed to protect against. Hiring decisions rooted in patronage or nepotism could easily be concealed under the guise that a certain candidate was the only one who possessed the 'requisite qualifications.' Unnecessary litigation would be fostered as the overlooked candidates challenge the propriety of the additional criteria used by the appointing authority."

Now to my final topic, due process, or rather the illusion of due process.

1	Here's a condensed version of how it works:
2	You have 20 calendar days to file an appeal.
3	Your appeal goes to the commission.
4	The commission meets to decide whether or not you
5	will be granted a hearing.
6	Hearings are at the sole discretion of the
7	commission.
8	The commission decides what type of hearing you will
9	receive.
10	One or more Commissioners hold the hearing.
11	You may represent yourself or, at your own expense,
12	hire an attorney to represent you.
13	You may not be represented by a nonlegal person.
14	The appointing authority will be represented by an
15	attorney.
16	The Commissioners control all aspects of the
17	hearing.
18	The Commissioners vote on the outcome.
19	The commission's decision is mailed to you.
20	In true due process, the appellant is advised of
21	their rights to appeal not true in this case.
22	You have 15 calendar days from the mailing date to
23	appeal an unfavorable decision.
24	Please note, decisions are sent by regular mail.
25	Any appeal goes back directly to the commission, the

same folks who ruled against you in the first place. 1 2 The commission has sole discretion to accept or deny your request for reconsideration. 3 Your request can be denied for no reason. 4 5 You have 30 calendar days from the mailing date of 6 the original decision to appeal to Commonwealth Court. 7 Due process is supposed to be a fair and impartial review of the facts with an unbiased opportunity for a second 8 9 opinion. 10 The civil service appeals process is long and 11 expensive, and the deck most certainly is stacked on the side 12 of the appointing authority. The Commissioners sit as judge, jury, and executioner with no checks and balances. 1.3 14 In summation: 15 Veterans' preference has no value to and can 16 actually harm a veteran in the rule of three. 17 An appointing authority can completely disregard 18 results of civil service tests. 19 Scores on tests have no value. 2.0 Rankings are disregarded. 21 Certified eligibles are deemed unsuitable for 22 interview without benefit of due process. 23 Agencies use résumés and subjective criteria such as 24 opinions to select whomever they wish to interview.

SCSC either misunderstands and/or selectively

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misapplies its own laws, regulations, and directives. 1 2 Real due process is an illusion. The burden for challenging unfair treatment is 3 extraordinarily expensive, and the barriers to a challenge are 4 5 many and extremely high. So why continue to expend money for a State Civil 6 7 Service Commission when the commission, by its lack of due diligence, renders irrelevant its own laws, rules, and 8 9 directives? 10 Pennsylvania's veterans deserve fair treatment in 11 employment. It's their right, and it's the law. 12 Thank you. 13 CHAIRMAN BARRAR: Thank you, Mrs. Burns. 14 Are there Members with questions? Anybody? 15 Representative Barbin. 16 REPRESENTATIVE BARBIN: Thank you, Mrs. Burns, for 17 your testimony, and I think you have brought to the attention 18 of the public, you know, what the problem and practice is with 19 the commission. 2.0 When your person, in your individual circumstance, 21 when they sent out the notice and you have 30 days to file an 22 appeal -- to Commonwealth Court? 23 MRS. BURNS: Yes. 24 REPRESENTATIVE BARBIN: So it says that on the form? 2.5 You have got ---

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MRS. BURNS: They don't send you anything, sir.
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     had to find it ourselves on the Internet.
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                 REPRESENTATIVE BARBIN: So when you got your final
      decision -- you get a decision, and then you can ask for really
 5
     reconsideration---
 6
                 MRS. BURNS: Yes, sir.
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                 REPRESENTATIVE BARBIN: --- from the same group that
 8
      has just denied you.
 9
                 MRS. BURNS: Yes, sir.
10
                 REPRESENTATIVE BARBIN: And that one you have to do
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      within 15 days.
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                 MRS. BURNS: Yes, sir.
13
                 REPRESENTATIVE BARBIN: And it's 15 days of the
14
     mailing date, even though all the rest of our appeals are
      30 days.
15
16
                 And then you get something from the Civil Service
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      Commission that says you have got a right to appeal to
18
      Commonwealth Court---
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                 MRS. BURNS: No.
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                 REPRESENTATIVE BARBIN: You don't get anything?
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                 MRS. BURNS: No.
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                 REPRESENTATIVE BARBIN: So how do you know that
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      they've denied your reconsideration motion?
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                 MRS. BURNS: Eventually you get a letter saying "We
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      decline to reconsider your appeal."
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1 REPRESENTATIVE BARBIN: All right. So at that point 2 you get a letter, and somebody has got to tell you you've only got 30 days to get to Commonwealth Court. 3 MRS. BURNS: But they don't do that, sir. 4 5 REPRESENTATIVE BARBIN: 6 MRS. BURNS: They did not in this case. 7 REPRESENTATIVE BARBIN: Did you appeal to Commonwealth Court? 8 9 MRS. BURNS: No, sir. It was too costly. 10 REPRESENTATIVE BARBIN: Okay. All right. 11 And I think that's what the problem is. The tax, we 12 have got a tax structure that is set up that if you go to the 13 Board of Appeals, you get a Board of Finance and Revenue 14 appeal, and then if you get a decision, it says, here's your 15 mailing date; you got 30 days to file this with Commonwealth 16 Court. But in your case, they didn't even give that to you. 17 MRS. BURNS: Yes, sir, and I'm not convinced that 18 they routinely give it to anyone. I don't know. This was in 19 operation, but we did not get it. 2.0 REPRESENTATIVE BARBIN: But you didn't get a 21 document that was sent by certified mail or anything else that 22 said if you wanted to appeal this, you've got to go into 23 Commonwealth Court and you got to do it within 30 days? 24 MRS. BURNS: No, sir. It's in a pamphlet, which I 2.5 cited in my references on their Website, and it tells you---

REPRESENTATIVE BARBIN: Well, you're entitled to at 1 2 least as much due process as any other taxpayer. But thank you for your testimony. 3 4 MRS. BURNS: Yes, sir. CHAIRMAN BARRAR: Thank you, Representative. 5 6 During this battle, who has been advising you? 7 mean, you have a heck of a testimony here with a lot of great 8 information. Is it all you? 9 MRS. BURNS: Yes, sir. 10 CHAIRMAN BARRAR: Wow; incredible. 11 Any other questions from the Members? 12 Okay; that's all we have. Thank you. 13 MRS. BURNS: If I may make a comment, sir---14 CHAIRMAN BARRAR: Certainly. 15 MRS. BURNS: ---on the comments of the Auditor 16 General, when you talked about the Veteran Advocate. My 17 question would be, if the veteran is an employee of the 18 Commonwealth, are they going to be permitted to speak to the 19 advocate? 2.0 It is my experience, including currently, that if 21 you seek advice on a question, you go to your HR office; they 22 choose to answer or not. Should you go outside the HR office, 23 you are called on the carpet and told you are not allowed to 24 speak to outside entities, be they Civil Service, Office of

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Administration, et cetera.

CHAIRMAN BARRAR: Yeah; that's something my 1 2 Executive Director is telling us we would have to look into. 3 MRS. BURNS: Okay. CHAIRMAN BARRAR: The whistleblower laws and how 4 5 that all conflicts with each other. Okay? 6 MRS. BURNS: Okay. Thank you. 7 CHAIRMAN BARRAR: Thank you. Good question, though. Okay; we're ready for our next testifiers: 8 9 Mr. John Brenner, Chairman of the State Veterans Commission; 10 and Mr. Kit Watson, State Adjutant for the Pennsylvania 11 Department of American Legions. 12 Come on up, gentlemen. Thank you. You can begin your testimony when ready. 13 14 MR. BRENNER: Thank you, Mr. Chairman. Good to see 15 you. We weren't too sure we were going to see you today. 16 CHAIRMAN BARRAR: Yeah; I made it. 17 MR. BRENNER: Good. 18 Chairman Barrar, Chairman Sainato, and Committee 19 Members, my name is John A. Brenner. I'm the Chairman of the 2.0 State Veterans Commission. And with me is my friend and buddy, 21 Kit Watson. He's the Secretary of the Pennsylvania War 22 Veterans Council. We do thank you for this opportunity to 23 speak to you. Thanks for the invite. 24 Please let me preface our remarks with making you 2.5 aware that our testimony here today is from representatives of

the Pennsylvania War Veterans Council and the Pennsylvania State Veterans Commission.

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While we each have our individual views on these bills, we have not yet had adequate time to present these bills and their ramifications to either the council or the commission for their full support.

We did, however, fully support HB 378, introduced by Ron Marsico, requiring one member of the State Civil Service Commission to be a veteran of the Armed Forces. And the selection of John Stevens was a great choice, and we supported that and we look forward to his leadership, and we know that he will ensure veterans get a fair chance in competitive selection.

Our organizations also would like to applaud the efforts of Auditor General Jack Wagner for his report of 2008 for bringing the veterans' preference issue into the forefront, showing that 25 State agencies filled at least 569 civil service employment positions without consideration of eligible veterans and their veterans' preference status.

And we also salute the Department of Military and Veterans Affairs, specifically Gen. Michael Gould and the Adjutant General, for ensuring that veterans receive specific preference in their hiring practices.

We would also like to take this opportunity to thank Representative Stephen Barrar for introducing HB 1092, which

would create that office of a Veteran Advocate in the Attorney General's Office. It is a positive step in addressing our veterans' employment needs and to have an avenue where problems and issues dealt with at this level will be a huge benefit to our veterans' population.

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HB 1092 outlines the powers and the duties of the Veteran Advocate. We believe this to be a great tool outlining the scope of duties and create a strong authority to address those issues. Our hope is that this position will offer the veteran a nonpartisan advocate dedicated to the interests of veterans concerning employment issues.

As to HB 1152, we agree with the changes called for regarding Title 51 in addressing that the term "soldier" would be changed to read "veteran." We think that's positive.

We have also reviewed the following bills that have not yet been assigned to your committee, but we suspect they will be soon.

HB 1090 would further strengthen the Civil Service Act. We feel there needs to be more time allotted for us, the veterans' community, to review this bill in its entirety to make sure we consider the full scope of these proposed changes to the law.

HB 985, requiring veterans' preference notification to be posted on the Civil Service Commission's Website and on all Civil Service Commission announcements and advertisements

and all exam materials, and the proposal requiring notification that the State law requires an additional 10 points be added to the veteran's final exam score, is a bill that we believe would be fully supported by the veterans' community.

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HB 1262 designs a clear path for appealing decisions made by the Civil Service Commission. And while much of this bill seems adequate to address the appeals process, we feel that it would be unnecessary if HB 1092 is passed and enacted.

While HB 1262 does not duplicate HB 1092, we feel that HB 1092 is the best solution overall, and we believe it would be readily accepted by the Pennsylvania War Council, the State Veterans Commission, and the veterans of our Commonwealth.

In summary, veterans in this Commonwealth have sacrificed much to ensure that we enjoy the freedom and the liberty to come before this body and share our opinions. These heroes, who have given so much in sweat, blood, and devotion to duty, deserve every recognition and every head start that we can offer them.

Veterans make great employees, and someone who has placed their life in jeopardy deserves every opportunity possible as they transition back into civilian life.

I would like to take this opportunity to thank you for ensuring that veterans will receive this special recognition. Thank you very much.

1 MR. WATSON: We collaborated on that. We've been 2 putting this together over the last week, so. CHAIRMAN BARRAR: Okay. Great; great. 3 Any questions from the Members? Anybody? 5 Representative. 6 REPRESENTATIVE BOBACK: Thank you, Mr. Chair. 7 a comment. In your testimony, sir, you talked about HB 1262, 8 9 and of course 1090 being first and foremost. But please look 10 at 1262 as what I consider an additional safety net, because I 11 can't help but think had that been in process, then Mrs. Burns 12 wouldn't have gone through, her family member would certainly not have gone through what in fact they did. 13 14 MR. BRENNER: Okay. 15 REPRESENTATIVE BOBACK: So with primary emphasis 16 being put on HB 1092, of course; but again, I look at 1262 as 17 an additional safety net. 18 MR. BRENNER: Very good, and we certainly would 19 support that. 2.0 REPRESENTATIVE BOBACK: Thank you, sir. 21 MR. WATSON: And if I may, it will be brought up at 22 both the War Council, at the next meeting, which is next month, 23 and the Veterans Commission, too. 24 REPRESENTATIVE BOBACK: And thank you both for all 2.5 you do on behalf of our veterans. Thank you.

1 MR. BRENNER: Thank you. 2 REPRESENTATIVE BOBACK: Thank you, Mr. Chair. 3 CHAIRMAN BARRAR: Thank you. Representative Barbin. 5 REPRESENTATIVE BARBIN: Thank you, Mr. Chairman. 6 And thank you, Mr. Brenner. It's always nice to see 7 you. You do a great job for the veterans. 8 What I'm wondering about -- I haven't heard the 9 first couple of testimonies -- is, do you have a position on 10 this rule of three or this suitability? 11 We've heard three things that have been used in the 12 past to at least minimize the benefit of the veterans' 13 preference. And this is just my perspective; I used to be one 14 of the Commonwealth's lawyers, and we had a rule that said, if 15 the statute doesn't say it, it doesn't matter what the 16 Executive order says and it doesn't matter what the regulation 17 says. 18 So if we're having a lot of confusion here that 19 relates to some sort of management directive or a regulation 2.0 that has passed, you know, the law has always been, if the 21 statute didn't give the agency the right to do it, you don't 22 have the right and it's not constitutional. 23 So what's your opinion as to, should we have three 24 lists -- number one -- and should we have the rule of three and 2.5 should we have suitability?

MR. BRENNER: Personally, I don't think I can give you the answer to that question, because I don't understand that much about the rule of three. But I think we need whatever is fairest and easiest to help our veterans get through this process, and that is your job to do that. We hope to take care of that.

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REPRESENTATIVE BARBIN: All right. Well, thank you very much, and thank you for your testimony.

MR. WATSON: I believe having the three lists affords them an opportunity to manipulate those lists, as his previous testimony pointed out. You need a defining thing or you need somebody dedicated to say we're really going to give this a real shot and make it look and make it come to reality. And I believe a Veteran Advocate and I believe having a veteran on the State Veterans Commission or the Civil Service Commission will help.

CHAIRMAN BARRAR: I would think you would find very few Members on this side of the table who disagree with you.

I'm pretty sure we're all in agreement with you on that.

So any other questions? Representative Kortz.

REPRESENTATIVE KORTZ: Thank you, Mr. Chairman. I just have a comment.

I want to thank you for your testimony, and I want to thank both you gentlemen for always being an advocate for the veterans in this State. Thank you very much.

MR. BRENNER: Thank you.

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2 CHAIRMAN BARRAR: That's all we have for you. Thank
3 you very much for being here today. We appreciate it.

Our last panelist on the agenda today is

Gen. John E. Stevens, Chairman of the Pennsylvania Civil

Service Commission; Mr. James W. Martin, Commissioner,

Pennsylvania Civil Service Commission; and Ms. Odelfa Smith

Preston, Pennsylvania Civil Service Commissioner.

We thank you for being here today, and if you would like to start your presentation whenever.

MR. STEVENS: Thank you, Mr. Chairman.

Chairman Barrar, Chairman Sainato, Members of the committee, thank you for the opportunity to appear before you today to discuss the legislative mission of the State Civil Service Commission and the introduction of HB 1092 and HB 1152.

My name is John Stevens. Due to the signing into law of HB 378 of 2011, I am honored to serve as the Commonwealth's first statutorily-required veteran member of the commission and publicly announced Veteran Advocate.

This hearing serves as a privilege and my first milestone for me to appear before you in my new role as Chairman of the commission. I'm honored to have been nominated by Governor Corbett and confirmed by the Pennsylvania Senate to serve in this important position.

With me today are Commissioners James W. Martin and Odelfa Smith Preston; Mr. Jeffrey Wallace, Commission Executive Director; Mr. Michael Sullivan, Commission Deputy for Operations; Mr. Frederick Smith, Commission Chief Legal Counsel; and Mr. Jack McGettigan, Commission Legislative and Press Liaison.

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In the interests of time, let me first say that the commission appreciates and values the legislative goals of the proposed legislation and looks forward to working with you to promote and support the principles of veterans' preference and to address these goals to ultimately benefit the men and women of our Armed Forces who have honorably served our country.

We have reviewed HBs 1092 and 1152 and preliminarily reviewed HBs 985, 1090, and 1262. We are pleased to announce our support for HB 1092 and HB 985 and look forward to working with the committee to discuss the legislative intent and impact of HBs 1152, 1090, and 1262 upon the Commonwealth Veterans' Preference Program, the provisions of the Military Affairs Act, and merit service.

Thank you again for the opportunity to appear today and allowing us to discuss the proposed legislation and to clarify the role, mission, and responsibilities of the commission.

We are pleased to answer any of your questions.

1 CHAIRMAN BARRAR: Thank you. 2 I guess the number one question is going to be, from probably most of the Members, is going to be on the 3 suitability, I guess you call it suitability clause that was 4 5 put into effect by the Governor's Executive order. Can you 6 give us an update? Is that still in the process? Are you 7 still using that as part of your, as you hire people, is it still in force? 8 9 MR. STEVENS: Mr. Chairman, my institutional 10 knowledge after 8 weeks isn't deep enough to give you the kind 11 of answer. 12 CHAIRMAN BARRAR: Okay. MR. STEVENS: So I would like to defer to our 13 14 Executive Director, Mr. Jeffrey Wallace. 15 MR. WALLACE: And actually, Chairman, I'm going to 16 defer that to my Chief Counsel---17 MR. SMITH: I felt it coming. 18 CHAIRMAN BARRAR: I feel like I just called the 19 electric company, you know? 2.0 MR. WALLACE: ---who is intimately knowledgeable 21 about that whole issue. 22 MR. SMITH: Yeah; we need to talk a little bit about 23 that Todd Burns decision so you understand exactly what went on

I have a copy of it with me. I didn't bring copies

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in that case.

for the entire committee, but I would be glad to furnish copies for the entire committee if you're interested in looking at it.

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What happened in Mr. Burns' case is, as he applied--- And oh, the suitability provision, yes, it's still there, but it has been there for many, many, many years. It's used by appointing authorities to, you know, sort of explain their selection. And so they use other criteria other than the test result in making a selection, and they can explain and they have to explain why the candidate they selected was more suitable for the position than the other candidates, and they have to use criteria set forth in that rule in order to satisfy us that their selection was based on merit and not on some whimsical standard, okay? So it's still out there. It's a rule.

But we didn't create this thing to run as it did in the *Todd Burns* case. It was what PENNDOT used to defend what they did. And so let me talk about what happened in *Todd Burns*.

The agency drew a list for an AMT position. They drew several lists. They decided to use one of the lists that contained the names of 10 veterans, including Mr. Burns, who was, within the rule of three, was the highest-scoring person on the list. They sent availability surveys out, as we require them to do. They decided to use this list exclusively.

Now, when an agency uses a list of this type, certainly they have to pay attention to the rule of three, which they did, and they knew Mr. Burns was there. But because the statute specifically provides that you can also select a qualified veteran from anywhere else on the list, notwithstanding that he didn't have the highest score, so long as he passed the exam, he or she passed the exam, what they do in most cases is they survey all of the veterans on the list, which they did in this case. Yet I think -- I would probably have to look at the decision, but let me just go off the top of my head -- it is either 10 or 11 qualified veterans responded to the survey and said they wanted the job; they were interested in the job.

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So they looked over the résumés of these 10 or 11 veterans, because they decided they didn't want to do 10 or 11 interviews. So they looked at the résumés of the 10 or 11 veterans, and they identified 3 veterans who had worked in HR.

Now, the position that they were hiring for was an HR position. The person was going to work on classifications exclusively. That's what the job was all about, and classifications is a technical field in HR deciding who is or who isn't most suitable to work, or how a job should be classified when it's created, or if it's changed over time and the classification should be changed, those sorts of things.

veterans who had HR experience in their background, as accurately described by Mrs. Burns. Two had HR experience and one somewhat had HR experience. They invited those three veterans to interview. They found a suitable candidate among those three, and they hired that suitable candidate, who was a veteran, who was further down on the list, didn't have the highest score, wasn't in the rule of three, but he was a veteran. And as I mentioned, the statute says you can hire, notwithstanding that the veteran didn't have the highest score, you can hire a veteran from anywhere on the list.

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So we audited that. We found nothing wrong with it. Veterans' preference was adhered to. A veteran was selected.

Now, Mr. Burns filed his appeal and challenged it, so the agency had to explain why they did what they did, and the explanation they gave is the explanation I just gave you. The commission said, well, now, is that a merit-related explanation for why they only hired three of the candidates, and we decided it was. If they were looking for HR experience, three had it, seven didn't. They interviewed the three who did. We felt that explained why they only did three interviews.

We were satisfied; they selected a vet. We found nothing wrong with what they had done, and that's the bottom line in that case.

CHAIRMAN BARRAR: But I think our concern for the suitability clause that we're discussing goes way beyond just the Burns case. I think it disrupts the whole intent of the law by saying, basically with the suitability clause in there, you can steer this any way you want. We have a test, we have an interview, and we have a veterans' preference, and basically from what we've seen and heard from the Auditor General, the suitability clause just allows you then to bypass all of that and go with who you think would be the best candidate, which then opens up a Pandora's box in there.

MR. SMITH: We're not opening a Pandora's box in the sense that you can bypass a veteran and go to a nonveteran.

That could never, ever happen.

In this case, because they had 10 veterans to interview and they didn't want to do 10 interviews, they used the clause to decide which ones were going to be interviewed.

I'm going to say something that might shock this committee a little bit, but you don't even have to interview candidates off the cert list. That's not a requirement. I mean, you could simply get the cert list, look at the scores, pick the highest-scoring candidate, and hire that person, offer them a job without doing an interview. It's not a requirement.

In this case, they didn't want to do 10 or 11 interviews, so they sorted the veterans out using the suitability criteria. Could they have done that and sorted a

veteran out and interviewed a nonveteran? Absolutely not. We would have rejected that certification instantly.

They were only able to use it in this case because they had already made the decision that they were going to hire a veteran, and there were 10 candidates, and they had to choose which ones to interview and which one to select.

CHAIRMAN BARRAR: Thank you.

Representative Farry.

REPRESENTATIVE FARRY: Thank you. Just a followup.

The rule of three, is that a "may" or a "must" hire

if there's a veteran in the top three?

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MR. WALLACE: Well, it's a -- under the rule of three, if there's a veteran within the rule of three and there is one veteran and two nonveterans, the requirement is that the agency must fill the position with that veteran, unless they look at internal agency applicants and look to promote an internal applicant into the position.

Now, if there are other veterans on the list, under the current law, an agency can pull a list of veterans only, for example, and interview all of those veterans, or as Fred was describing, narrow the pool and select a veteran within that group.

REPRESENTATIVE FARRY: That seems to be in conflict with the *Housing Authority of the County of Chester* case where the court wrote that "Furthermore, we note that the legislature

has imposed a categorical requirement that appointing authorities make their appointment only from among the top three scoring candidates on the civil service list... If the legislature believed that the appointing authority could use other qualities besides examination performance to assess whether a candidate possessed the 'requisite qualifications,' then it would have been absurd for the legislature to require that a candidate be appointed from among the top three scoring candidates on the civil service list...."

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MR. SMITH: Actually, I was the one who argued that case for the veteran in the Supreme Court.

Over at the commission, we were defending the fact that we rejected their selection because they selected a non-vet. You have to remember, that case is a veteran versus a nonveteran case, okay? So the issue was, if there's a veteran within the rule of three, are you allowed to select a nonveteran, and the answer is no. If there's a veteran within the rule of three, it is a mandatory selection, no question about it.

The only alternative to selecting a veteran within the rule of three off the same list is to get another veteran from the list somewhere else. You can go below the rule of three and select another veteran, but that's because of the third provision in the Veterans' Preference Act which permits that to happen, clause C.

1 REPRESENTATIVE FARRY: Okav. Thank you. And one 2 other question, if I may. CHAIRMAN BARRAR: 3 Sure. REPRESENTATIVE FARRY: It's on a bit of a different 4 5 subject, but HB 985, I believe it is --- Excuse me; I'm sorry. Yeah; in HB 985, Representative Gillen's bill, is 6 7 there any reason, I mean, that doesn't need to be codified by 8 The commission could take steps to promote the veterans' law. 9 preference on their Website and promotional materials and the 10 like. Are there any efforts on behalf of the commission at 11 this point in time to move forward with those items without us 12 codifying it by law? 13 MR. WALLACE: While we support that bill -- but I do 14 need to point out to you, that's currently being done. We do 15 have information directly on our main Website -- and it is 16 prominently displayed -- on veterans' preference. There is 17 information on there in terms of how veterans' preference is 18 applied. It is included in all of our promotional materials. 19 It is included in our application materials as well. So the 2.0 information is there, but this law would codify it and we 21 support that. 22 REPRESENTATIVE FARRY: Okav. 23 CHAIRMAN BARRAR: Is it on the application? 24 fill out the application for a job, it's also---25 MR. WALLACE: Yes.

CHAIRMAN BARRAR: All that information is on the 1 2 application? 3 MR. WALLACE: Absolutely. CHAIRMAN BARRAR: Okay. 5 Representative Farry? 6 REPRESENTATIVE FARRY: No; that's it. 7 CHAIRMAN BARRAR: Okay. Thank you. 8 Representative Barbin. REPRESENTATIVE BARBIN: Thank you, Mr. Chairman. 9 10 And thank you, commission members, for being here to 11 testify. 12 I'm listening to this and I'm still really confused, and I have just heard your Executive Director say that on the 13 14 application itself, it has whatever the explanation is of what 15 a veterans' preference is. 16 Now, to me, the goal of civil service was to say, 17 we're going to try to take all of these extra considerations out of it when we have a job to post, and if you have the 18 19 qualifications for that job as it is stated on an application, 2.0 then you apply, we'll look at that, and then if you're a 21 veteran, you get a preference. 22 So for me and for everybody else who is out there 23 wondering what Pennsylvania's veterans' preference really is --24 condensed -- is it the right to have an interview, or is it an 2.5 actual preference that says, because of your veterans service,

you'll get the job if you are within 10 points of the total number? What is it, because I don't understand it still.

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MR. STEVENS: Let me give you my interpretation after--- I don't want to look like the electric company as we go forward here.

CHAIRMAN BARRAR: Thank you, John.

MR. STEVENS: As I'm learning, veterans' preference means that if you take a test -- and there are circumstances in which there is no test. Now, you can imagine for some higher-level positions, more cognitive skills, you know, personal skills, things that may come out in analyzing a résumé or in an interview would probably carry greater weight than a test score. Test scores usually are covering basic knowledges about a field, and they typically are going to be used for any of the entry-level positions or those that are very much rule-bound -- you get CPA exams or things for nursing licensure and so on.

The consequence of an absolute veterans' preference would mean that anytime there is a veteran who applies for the job and appears on the list, that veteran would then get the position. I think that the issue that comes up with the suitability, though, is that if you have ties, then how do you break the ties?

I think as our Chief Counsel said, in the case of Burns, there were 10 veterans on that list. And so you look at

this; you got one piece of information called a score, you look at the résumés, you do an interview, you look at the background. The HR background matches up with the knowledge, skills, and abilities that are in the job posting, and the agency makes the determination.

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So if you go back to this issue of what the veterans' preference is, it would be 10 points on an exam, and if they appear within the rule of three, then that's where veterans' preference would kick in.

REPRESENTATIVE BARBIN: All right. But to me, that says that we have a very, very limited veterans' preference.

The only person who gets a preference under that is somebody who's applying for an entry-level position or a position that has no other qualifications other than the score itself. And what I'm wondering is, if that's the case, then don't we need to revise the law to say, we want to have a veterans' preference that says no matter what your job that you're applying for, you should have a preference if you're a veteran.

I'm not worried about veteran to veteran; you choose among the veterans. But if we really have a 13-percent unemployment rate, and we have got all of the National Guardsmen that are coming back from Afghanistan and we are saying that we are going to give them a fair deal, don't we have to have a preference that applies across the board, and shouldn't we be in the position of having, whatever the

qualifications are, they ought to be at the beginning, they ought to be stated on whatever the application is, and why should we have these suitability issues? Why should we have the rule of three?

veteran, and the job says "This is all the qualifications you have," you read it, you go through the application, you fill out your application, why should there be any other discussion or ability to say, well, no, we're going to go this way; we're going to take a county list, or we're going to take an all-State employees list, or we're going to take an agency -- why should we have any of that if what we're really trying to do is to say, you take the civil service test, you get a shot at these jobs, and if you're a veteran, you get an extra 10 points. Why should we have all of these additional rules?

MR. STEVENS: Well, that's a broad question. Let me

REPRESENTATIVE BARBIN: It is a broad question. I'll take any answer.

see if I can address all of it.

MR. STEVENS: No; and I appreciate, you know, you speak with a passion, and I share that as well. What I see is that if we were to take an entry-level position with minimum job qualifications, as you might find in most entry-level positions, and we get the DD214, or discharge papers, the veteran is now codified on an employment list with the V, it's

very clear who that is -- and that application, that eligibility list is large. I just looked at one recently for another State agency that includes 2,472 names. Those are people who passed the test.

If you look at the rule of three -- and I'll just take a guess at this; I didn't check it for the veterans' status, but I would imagine of a list that large, there are going to be a number of veterans. If there are veterans in the rule of three, and that rule of three I don't see as anything magic. It could be a rule of 2, it could be a rule of 12, because if there's a veteran in it, that veteran, being in that rule of three, then gets veterans' preference. So that kicks in.

anywhere on the list can be chosen for the job. So in terms of veterans' preference, I think the protections are there. My understanding as to why these agencies would choose different lists is to see the breadth of a candidate pool. I know in some cases an agency may have a position in one county, but they'll look at adjacent counties. They'll look at the applicant pool. But in those cases, the same criteria would apply: they look at the scores; the veteran would be codified.

Does that shed any light on this?

REPRESENTATIVE BARBIN: It does, but I guess what the problem is, the Auditor General pointed out that there were

569 people that were veterans that, on their face, they should have been hired -- okay? -- but they weren't, and the reason that it appears to be that they weren't is because either there was some sort of suitability limitation or there was a, you know, county limitation or something. We don't know why those people weren't hired. All we're trying to say is, why weren't they hired, and how do we know today, you're now on representing veterans, and I commend you for, you know, taking over, but how do we know for sure that what happened in the prior audit isn't happening today?

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MR. STEVENS: Let me, Mr. Wallace was onboard when the audit was accomplished, and I think he could shed some light on this.

MR. WALLACE: Well, the 569 that was referenced in that report, in each of those cases, the agency elected to hire from within, so to speak. It was either a promotion of an internal applicant into those positions; they did not use the list process to fill the position.

REPRESENTATIVE BARBIN: All right. That's the answer; that's the answer. But I want to follow up on it.

If that's the answer, then I'm not satisfied in the rule. What do we need to do to change that rule? Because I understand that there's some benefit in promoting from within, but it's a matter of priorities. The legislature has said our priority is to give the veterans a preference. So if we allow

the agency to decide to avoid that preference by saying we have a higher priority to promote from within, what we've really done is to say the veterans' preference doesn't matter anytime an agency decides that it's to their advantage to hire from within. Well, they're always going to do that.

MR. SMITH: Well, not always, because eventually they run out of options.

The point is, when you hire from within, as soon as you promoted somebody or moved somebody from within to a new position in the agency, you have created a new vacancy. Then you have to fill that vacancy.

REPRESENTATIVE BARBIN: We're not filling them, though.

MR. SMITH: Well---

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REPRESENTATIVE BARBIN: We haven't been filling them for 5 years.

MR. SMITH: When this report was done in 2008, it was prior to this problem. These 569 positions that were filled, now, you remember the example they gave to this committee of what happened here. They had three lists to work from; they said an 11, a 12, and a 14. Do you recall that testimony by Randy? He said 11 is an employment list. That means they are all people who don't currently work for the Commonwealth. Well, not necessarily; there could be Commonwealth employees on that list as well. But they are new

hires, by and large, for the vast majority of the people on the employment list for new hires. If veterans are on that list, they have veterans' preference. They are going to be identified. Their scores are going to be flagged and the points are going to be added, and if they're within the rule of three, they're a mandatory appointment.

But they also get a Code 12 and a Code 14 list. And if you remember when he described those lists, they were 100 percent made up of people who already worked for the Commonwealth. And in the Code 12 list, they are looking if they are employees of their own agency, and in the Code 14 list, they are looking at State employees from all agencies. Okay?

And they have a right to do this; I mean, because the Civil Service Act creates a variety of ways to fill positions, including lateral transfers from one position to another. I mean, this is one of the perks of employment after you get into the classified service -- your ability to move about in the service; improve your situation. Maybe you even take initially, using veterans' preference perhaps, a job you really don't want long term, but that gets you into the system and then allows you to show your stuff, get a good employment history behind you, and then maybe move laterally into the career path you really would rather prefer to have gotten in the first place.

This is a tremendous advantage to the Commonwealth. As one employer, these people get in and they can move about. And it's normal for an employer to deal with the devil they know instead of the devil they don't know. So when they are looking at employees who already work for the Commonwealth, they can look at their personnel files, even if it's from another agency. They can look at their work history, their leave-use record, their performance evaluations. And then if they choose these people, as I've said, they know what they're getting. A, that's good for the agency; B, they have created another vacancy somewhere else. Eventually, and I realize we are in a bad job market right now, but it's not always going to be this way and it has not always been this way. When the legislation was enacted, it wasn't this way.

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But when they move to another position, you create a vacancy somewhere else, and then that vacancy has to be filled. And eventually, eventually the agency runs out of options and has to go outside and bring in, and when they do, veterans' preference 100-percent applies to the selections they make.

So the process works. There are thousands of positions being filled every year. These 569 weren't filled by veterans; they chose to fill from within. That created 569 other vacancies.

Now, I can't sit here and tell you all 569 were

filled, but most of them were, I can assure you of that. And then if they were filled from within, then another vacancy was created. But eventually you get to a point where you have to go outside your own agency to hire someone, and that's when veterans' -- and isn't that how it should work? I mean, should a veteran, because he's a veteran, come in at a higher-level position in the State or should he have to start out like everybody else does, basically at an entry-level position, prove his merit, and then move up?

I would suggest to you that's the very reason the Supreme Court -- and you're all aware of this -- has for many, many years said it is unconstitutional to apply veterans' preference to promotions in the classified service, because you have to earn the right to be promoted by showing what you can do after you're into the system.

But it should apply to entry-level positions, and I can assure you on behalf of the commission that it 100 percent does. We are very diligent about making sure that that is the case.

MR. WALLACE: And I would like to add another critical point to what Chief Counsel Fred Smith said, is on the Code 12 and Code 14 lists, because they include current Commonwealth employees, on those lists would be veterans also who would have come in through the entry-level process as a veteran but, through the normal process, are looking to be

promoted into higher-level positions. So that would also include veterans as well.

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MR. SMITH: Yeah; but because they are internal lists and they already work for the Commonwealth, they are not identified as veterans on the list. That doesn't mean they're not veterans.

There are many veterans on those lists, and if you went to a system where you required agencies to 100 percent hire off the street, as I put it, or from outside the system, you would actually be penalizing the veterans who have already found work within the classified service who are trying to move around and improve their own careers, because those lists definitely give them an advantage in getting in a lateral or a promotion, because, you know, they already work there and the lists are shorter and they're competing with less people and they don't have to deal, you know, with veterans' preference that you have to deal with on new employment lists.

I understand all of that. But there are many, many veterans on those lists. There is just no way to say who they are because they're not identified, because there's no need to identify them. They're competing equally with everybody else for the jobs.

MR. WALLACE: And out of the 55,000 covered State-merit-system-covered employees, about 25 percent of those are veterans.

REPRESENTATIVE BARBIN: Then I guess my question is this: We can disagree about what the Commonwealth's highest priority can be. You can say that the priority is higher for agencies to be able to know what the person's background is, and I can say when we have so many people that are coming back that have actually provided a greater service than most of the people that are applying, there should be some benefit for that, okay?

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What I wonder, though, is, is there a way under the current law to say whoever we hire for any job, unless it's specifically posted up front, we are not going to allow agencies to use their own list unless they can justify that to the commission itself, or we are not going to allow an agency to use a State employees' list.

I mean, I can at least understand the theory of an agency list: We want to promote somebody in our agency because we have got to continue to work with them. That one's understandable. But the whole idea of this, we're going to have another list that's just State employees that don't have anything to do with the agency work that is being involved, and not requiring it to do it up front, it just doesn't make any sense.

If you have a qualification need, you have got a qualification need. What can we do to make this law work better for veterans?

MR. STEVENS: At least in part let me give you a circumstance, if we're looking at the broad statewide list.

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If you are looking for people who have a functional specialty that would be common, close to being common across 38 State agencies -- human resource specialists might be one -- there you are looking across the State and you're going to find people who have that background, and if they're in the system, they're going to have a verifiable employment record. All the performance evaluations are there. If there's discipline, you'll see the entire thing. And then you can sort it on proximity to where the worksite might be, and eventually you come down to a slate of candidates, and that's who you would select.

These are promotion opportunities, and as

Chief Counsel Smith said, under the current Supreme Court

ruling, in a promotion, you can't use veterans' preference. It

doesn't exist for a veteran in that case. So if a veteran has

come into the system, gotten the entry-level job, has advanced

through his or her own merit, and then sees a position open in

the career field that's in another agency, maybe in another

location, they have the opportunity to be considered for that.

But they compete just as everybody else. There's no veterans'

preference for them at that stage.

I mean, what I'm finding so far is that some of this is like squeezing the balloon, that you squeeze it here to

advantage the veteran that you have in front of you, and when you did that, there are nine of them over there that didn't get that job. The jobs are scarce; there are only so many to go around, and that's where these suitability criteria come in.

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I believe, from my limited experience in joining with counsel and with my fellow Commissioners, in reviewing the appeals that come before us, that there is a great deal of care and attention. If there is any error, it's on the side of having the appellant get the hearing. It's like the tie goes to the runner. That is one of the ways we do it.

And we also pay attention to the veterans' coding on these lists. But again, it only applies in certain circumstances. Otherwise, we are looking at a situation in the extreme that would say, all applicants who can demonstrate that they are veterans, with a DD214 or the discharge papers, the Civil Service Commission will make the choice and that's who you'll get. That way, we're not going to rely on the discretion of an agency. We would do that. At some point, we would probably have to do it on the basis of a lottery.

REPRESENTATIVE BARBIN: Well, why shouldn't we have that rule? Why shouldn't there be a rule that says, if we have a job opening in Pennsylvania, if you don't have a certificate, you don't have to be a chemist, you don't have to be a doctor, you don't have to be a lawyer, but if there isn't a special-degree requirement, why shouldn't we have a rule that

1 says there will be no suitability?

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2 MR. STEVENS: In my judgment, that would be a rule 3 for the General Assembly to say sure.

REPRESENTATIVE BARBIN: Well, that's what I'm asking.

Should we have, should we draft legislation that says, since we know all these guys are coming back, should we draft legislation that just says, right now, we need to have a straight, you know, very clearcut answer, no suitability, unless you apply for an exception from the Civil Service Commission?

We just get rid of that as a question. We get rid of those appeals and we just say, if it's not a matter of having a special degree, it's civil service, and you get 10 points because you're a veteran.

MR. STEVENS: Sure.

MR. SMITH: I think there's some confusion here, with all due respect, Representative Barbin.

Suitability was only used to explain why they didn't interview 10 qualified candidates. They could never use suitability to determine that a candidate was unqualified. It's not possible. If they're hiring and using the rule of three and they have a veteran and it's a mandatory appointment, they cannot make a determination on their own that he's not suitable for the position. That's impossible. We don't allow

that.

REPRESENTATIVE BARBIN: Okay, but suitability includes the list. The list is, it's suitable only if you're an agency employee. That's suitability. So if they're allowed to use any one of the three lists, then they have made a suitability decision, because they said, we want somebody from within. That's the problem right now.

What I'm saying is, is it something that we should be considering right now, because all these people are coming back, to say we're not going to have those other lists? We're basically going to have a civil service test, and if you have special requirements, you have got to put that up front, and you either have the requirement or you don't, but anybody who's on there otherwise is going to be hired with the benefit of being a veteran.

 $$\operatorname{MR.}$  STEVENS: I would say that this has to be a General Assembly decision.

You know, the thing that I've learned here in my short tenure, and I've seen it in other organizations where I worked, certainly the Army has this, it's very much a rules-bound enterprise, and so when those rules are enforced, there's always going to be situations where someone who thought they might have been qualified didn't get a job because there's only one -- there's only one promotion opportunity; there's only one entry-level job.

I realize the situation now with DOD cutting back dramatically, and I think in Pennsylvania we're going to see substantial numbers of people cascading out of the active force, as all branches of service seem to be cutting back.

We also have still on the troop deployment list two major elements of the Pennsylvania National Guard that will be deploying unless our commitments overseas are canceled before they lift off and go in country.

So those are the people, in my judgment, who are the target for this veterans' preference. And I understand what you are saying, but I look at my role as the Commissioner and I think my sworn duty is to uphold what's in that statute and not begin to make judgments on my own about what I think may or may not apply in a specific situation.

Thank you, sir.

MR. SMITH: Thank you, sir.

CHAIRMAN BARRAR: Thank you, Representative.

Representative Kortz.

REPRESENTATIVE KORTZ: Thank you, Mr. Chairman.

And thank you, Chairman Stevens, for your testimony

today.

Sir, I have a question for you. You've heard

Mrs. Burns' testimony prior to you. Obviously the appeals

process is an issue. Are there any plans to try to modify the

appeals process, make it more user-friendly, if you will?

MR. STEVENS: Well, I certainly think we can take a look at the appeals process. I know that, from my limited experience when I reviewed cases, and the Commissioners get these and independently make a judgment and then come together to see what that final outcome is. The criteria that we've used, is there anything new coming in the appeal, or is it a restatement or an exact copy of what the commission heard in the original case? And so that would weigh heavy on whether or not we're going to hear the same thing over again.

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In those instances where there's nothing new, then the appeal would probably be denied. If they're presenting something that even on the face of it looks like this is a new wrinkle that may have influenced the outcome, then they're going to get another opportunity to do this.

REPRESENTATIVE KORTZ: Sure, I understand you're looking for new credible evidence, but I'm talking about the timeframes. It seems like there's a very narrow timeframe. You don't know if you're getting a letter or not. There were some specifics in her testimony very pointed to the commission that it's heavily skewed towards the commission and against the person applying.

MR. WALLACE: And I'm going to ask Chief Counsel Smith to walk you through the process quickly.

REPRESENTATIVE KORTZ: We don't need to hear the whole process; I just want to know if you'll take a look at it

and see if you want to modify it, because I don't want to drag

out the timeframe of the meeting.

MR. SMITH: Yes, sir.

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REPRESENTATIVE KORTZ: I'd appreciate if you would do that.

One last followup, if I may, Mr. Chairman. Sorry to come back to it, but I can't help myself. This suitability clause, the definition of the suitability clause. I assume it's, you know, suitable qualifications, skill set, experience, capability. For example, if you were looking for a lawyer and the person doesn't have a law degree, obviously they're disqualified. Talk to me about the definition of this suitability clause.

MR. SMITH: Actually, it's not in a management directive; it's a commission rule. It is rule 97.16, 4 PA Code 97.16. We had upped it years ago. I guess the best way for me to respond to your question is just to read it.

It says, "Appointing authorities may conduct interviews or otherwise assess relative suitability for appointment of certified eligibles, but the assessments must be based on job-related criteria and be conducted in accordance with standards established by the Director." That's it.

That's the entire thing.

And as I indicated previously, it says "Appointing authorities may conduct interviews or otherwise assess...," and

I indicated to you previously they're not required to hold interviews. They simply can select a candidate, provided they follow all the applicable rules and can defend their decision based on merit criteria without doing interviews at all, and that's all the suitability clause is.

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To me, I think much too much is being made of it. I don't think it can ever—— It can never be used to disqualify a candidate. We put a candidate on the list, we say they're qualified; the only way that candidate can be removed from the list is to come back to the commission with what's called a list-removal request, and there's a whole process that is gone through where the Commissioners themselves decide those on a case-by-case basis. We do about 150 of those a year.

No agency can do that on their own, and the suitability criterion is simply saying that if you didn't interview the candidates, then you have to be able to tell us what criterion you did use to decide who you were going to hire, and that better be merit related and you better be able to justify it, and that's what the suitability clause that we've been referring to is. It is rule 4, 97.16; 4 PA Code 97.16.

REPRESENTATIVE KORTZ: So it in fact is a rule?

It's not a regulation?

MR. SMITH: It's a rule which -- I call it a rule. It's a regulation, yes.

1 REPRESENTATIVE KORTZ: It's a regulation. 2 MR. SMITH: Yes, sir. REPRESENTATIVE KORTZ: Okay. Thank you. 3 CHAIRMAN BARRAR: Representative Boback. 5 REPRESENTATIVE BOBACK: Thank you, Mr. Chair. 6 This is a point of clarification. So what you're 7 saying is that when Mr. Burns took his test, he was the highest ranking on a rule of three, and then that kicked in the idea 8 9 that, yes, a veteran was the highest of three, so now we hire a 10 veteran. 11 MR. SMITH: Correct. 12 REPRESENTATIVE BOBACK: Okay. And then that allowed 13 you to go through more specific qualifications. 14 So the next question is, does every civil service 15 exam, does it need to be accompanied by a résumé vitae? 16 MR. SMITH: No. 17 REPRESENTATIVE BOBACK: No. 18 The résumés would have been provided by MR. SMITH: 19 the candidates in response to what we call an availability 2.0 survey. They send out a list and they say, are you interested 21 in the job? And they have to respond "yes, not at this time," 22 or "yes, we are," and they can ask them to provide a résumé 23 along with their response. 24 REPRESENTATIVE BOBACK: And they don't have to, but 2.5 they may.

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                 MR. SMITH: They may.
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                 REPRESENTATIVE BOBACK: All right. So with
      Mr. Burns, I mean, when you were looking, again, at the
 3
      qualifications for this position, I think it was an AMT with
 4
      PENNDOT?
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 6
                 MR. SMITH: Yes.
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                 REPRESENTATIVE BOBACK: Can you tell me, what is an
      AMT?
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                 MR. WALLACE: Administration management trainee.
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                 MR. SMITH: Correct.
11
                 REPRESENTATIVE BOBACK: Administration
12
      Management---
13
                 MR. WALLACE: Trainee.
14
                 REPRESENTATIVE BOBACK: Trainee.
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                 MR. WALLACE: It's an entry-level job.
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                 REPRESENTATIVE BOBACK: Okay. So then because he
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      was vying for this and you opened it up looking at résumés,
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      looking at vitae, and you found that there were three other
19
      veterans who it was felt that they had more experience in the
2.0
      field than Mr. Burns?
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                 MR. SMITH: They had some experience in HR.
22
      was the testimony. It was undisputed.
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                 REPRESENTATIVE BOBACK: They had some experience,
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      but more experience than, you're saying, than Mr. Burns?
2.5
                 MR. SMITH: He had no background in HR.
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REPRESENTATIVE BOBACK: All right. So---1 2 MR. SMITH: According to the testimony, and he did not dispute that at the hearing himself. 3 REPRESENTATIVE BOBACK: Okay. So that if 4 5 Representative Murt and I were vying for a position, both 6 veterans, I score the highest, he scores maybe 20 points below 7 me -- and this is with the 10 percentage points added in, 8 right? MR. WALLACE: That's correct. 10 MR. SMITH: Yeah; you both have it. 11 REPRESENTATIVE BOBACK: We both have it, but I have 12 more than he does. 13 MR. SMITH: Correct. 14 REPRESENTATIVE BOBACK: But then when you look at 15 his vitae and you're looking for a teaching position and he has 16 a teaching certificate or he has background in nursery school, 17 whatever, so you determine that even though I scored higher, 18 he not only scored as a veteran but he has the expertise in 19 that area, so he would most likely be the one to get the 2.0 job. 21 MR. SMITH: That might be what the criteria is they 22 used to break a tie, as Commissioner Stevens described it. 23 Yes. REPRESENTATIVE BOBACK: Okay. All right. 24 MR. SMITH: And that's how it works. 25

Now, in this case, and I really don't want to drag things out here for you, but I want you to understand this, they had a veteran in the rule of three, so they knew that they had to hire a veteran. So they surveyed all the veterans.

That's standard practice. It's what usually happens. And when they had the candidate pool of all the veterans, then they looked at the résumés to decide who they wanted to interview.

And then after they did three interviews, they decided who they wanted to pick.

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The rule of three is not just three people actually; the rule of three is the three highest-scoring people. So if you had a list where 10 people had a tie score and they were at the top of the list, there would be 10 people within the rule of three, for example. So it can definitely be more than three people, and that's what it was in this case.

REPRESENTATIVE BOBACK: Last question, if I may.

What if it wasn't a veteran? What if Mr. Burns wasn't a veteran? Like in the top three there were no veterans; does that mean then you wouldn't need to hire a veteran?

MR. SMITH: No, it means you wouldn't need to hire a veteran; you could hire only the people that are within the rule of three, because that's what the Civil Service Act provides.

REPRESENTATIVE BOBACK: I see.

MR. SMITH: But at the same time, you could also 1 2 hire veterans from elsewhere on the list, and if you didn't like any of the people within the top three, you could then 3 hire a veteran from further down the list. That would be up to 4 5 you. 6 But it wouldn't be required. That's the option. 7 When you go below the rule of three to interview a veteran, it's an optional preference, not mandatory like it would be if 8 9 the veteran was in the rule of three. 10 REPRESENTATIVE BOBACK: Thank you. Thank you for 11 clarifying that for me. 12 Thank you, Mr. Chair. 13 CHAIRMAN BARRAR: Thank you. 14 Representative Gillen for the last question. 15 REPRESENTATIVE GILLEN: My questions have been 16 answered. 17 Thank you, Mr. Chair. My question was 18 covered. 19 CHAIRMAN BARRAR: Oh; okay. Thank you. 2.0 Representative Murt. 21 REPRESENTATIVE MURT: Mr. Chairman, I wanted to wait 22 until the end because I happen to be a veteran, served in 23 combat with the 4th Infantry Division, 2003 and '04 in Iraq. I 24 still have a great deal of contact with the men and women with 2.5 whom I served in Tikrit, Iraq.

There's nothing more important than jobs.

Collectively speaking, I think that their concern over employment is more important than their concern over health care and job training and so forth. This is really important.

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And it's really painful, because a lot of the men and women with whom I served are from the Williamsport area, and many of them have deployed voluntarily the second and the third time because they could not find employment; they could not find a job.

So this is a very, very critically important issue as it relates to our veterans, and I think it's very good that we're vetting this issue and helping our veterans in Pennsylvania and embracing this legislation that is going to make things better for our veterans.

Thank you, Mr. Chairman.

CHAIRMAN BARRAR: Thank you.

I want to thank our testifiers for being here today, and if there's any way that the Members of this committee can be of service to you as you look for a way to modernize and make the system more efficient, if you need our help, we stand ready to help you in any way possible.

MR. STEVENS: Thank you, sir. If I might?

CHAIRMAN BARRAR: Yes, sir.

MR. STEVENS: If I might address real quickly

Representative Murt's comments. This is getting off the Civil Service Act. But I'll give you an example of things that have happened since the 3d of January when I was sworn in.

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I have met with the Pennsylvania Veterans

Commission. That's a quarterly meeting. To the gentlemen who presented before on that, we are engaged. I have worked with the Adjutant General; in fact, he's a personal friend of mine. That relationship is strong.

Next week, I'll be meeting with Deputy Adjutant

General Gould on a larger issue that goes beyond the civil

service employment that begins to address a comprehensive way

for the Department of Military and Veterans Affairs to reach

out to veterans, and it probably, I hope, will address the

kinds of issues you talked about. Unfortunately, that's a

labor-market issue to a large extent. But those are the things

that are out there.

I know the commission has got two veterans fairs coming up -- one in Philadelphia, I believe it is May 8; and one in Pittsburgh on the 20th of April -- and I will be there representing the Civil Service Commission along with our regional officers and dealing with the veterans' preference issue and employment with the Commonwealth.

So we're getting some traction here, but it gets away from the things like a test and the rule of three and so on. So it's kind of the overarching picture.

Thank you very much. I appreciate your---

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CHAIRMAN BARRAR: You're welcome. And that's exactly what we wanted to hear, is the fact that this will become a real, not just a preference but a priority, hiring veterans with the Civil Service Commission.

Just one more second?

Chairman Sainato, any comments?

CHAIRMAN SAINATO: Just briefly, I do want to thank all of you, all of our testifiers, because this is a learning experience. I think it's a learning experience for many of our Members on the committee, because we have many first-term Members, including myself, and, you know, this whole process, I think, you know, we want to continue to work with you.

And I share Chairman Barrar's concern as well. I mean, veterans are critical. They serve their country and they should be treated fairly and equitably. So I think with continuing dialogue and the ability to make sure it's done properly and fairly -- and we have to get qualified people, too, that work, you know, for the State. I mean, that's important as well. So I think you have to weigh all the options in and make sure people are treated fairly.

So that's really all I have to say, but I think it was very helpful to me and I'm sure many of our Members out there.

CHAIRMAN BARRAR: Thank you, Mr. Chairman.

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I want to thank the Members for their questions and
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      attendance and the testifiers for being here today.
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                  This meeting stands adjourned.
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                  (The hearing concluded at 2:51 p.m.)
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