



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

MARCH 18, 2024

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Monday, March 18, 2024

CHAIRMAN DANIEL: Good afternoon, everyone.
This meeting is called to order. Mr. Trobman, has anyone signed up for public comment?

CHAIRMAN DANIEL: Thank you very much. Good afternoon.

MS. MILLER: Good afternoon.

CHAIRMAN DANIEL: Thank you. We'll take a short recess.

CHAIRMAN DANIEL: All right, this is Agenda Item 9, proposed rule reviews for 40 TAC Chapter 800, Chapter 802, and Chapter 811.

REED O'BRIEN: Good afternoon, Chairman Daniel, Commissioner Treviño, Commissioner Esparza, and Mr. Serna. For the record, I'm Reed O'Brien with the Office of General Counsel. Texas Government Code, Section 2001.039, requires state agencies to review their rules every four years to consider each rule for readoption, revision or repeal, and to determine whether the reasons for adopting the rules continues to exist. Additionally, staff's assessment includes determining whether the rules are obsolete, whether they reflect the current legal and policy considerations, and whether they reflect the commission's current procedures. Commissioners, before you today for your consideration for approval are notices of TWC's intent to review its rules in the following three chapters of the Texas

1 Administrative Code: Chapter 800, General Administration;
2 Chapter 802, Integrity of the Texas Workforce System; and
3 Chapter 811, Choices. Staff recommends submitting the notices of
4 intent to review the rules for publication in the Texas Register
5 for a 30-day public comment period and after the comment period
6 ends, staff will present the results of the rule review
7 assessments, and this concludes my presentation, and I'm glad to
8 answer any questions you may have.

9 CHAIRMAN DANIEL: Any comments or questions?

10 COMMISSIONER TREVIÑO: None here.

11 COMMISSIONER ESPARZA: No questions.

12 CHAIRMAN DANIEL: Is there a motion?

13 COMMISSIONER TREVIÑO: Chairman, I move we
14 approve the proposed rule reviews for 40 Texas Administrative
15 Code, Chapter 800, General Administration, Chapter 802,
16 Integrity of the Texas Workforce System, and Chapter 811,
17 Choices, for publication for public comment as recommended today
18 by staff.

19 COMMISSIONER ESPARZA: I second.

20 CHAIRMAN DANIEL: It's been moved and
21 seconded, and the motion carries. This is Agenda Item 10, Mid-
22 Year Review of Local Workforce Development Board Child Care
23 Allocations and Targets for Board Contract Year 2024.

24 REAGAN MILLER: Good afternoon, chairman,
25 commissioners. I'm Reagan Miller with the Child Care & Early

1 Learning Division. This afternoon we're bringing forward the
2 mid-year review with BCY24 child care targets and allocations.
3 This mid-year review provides an opportunity for us to recheck
4 the case mix and cost factors that we use to determine the
5 affordable number of kids that our boards can serve. We looked
6 at a couple of things specifically. As we implement the new
7 requirements for all child care services providers to provide
8 Texas Rising Star certified, the average cost of child care will
9 increase as these providers begin to qualify for the enhanced
10 reimbursement rates. We also examined the policy change that
11 will go into effect with the new child care case management
12 system that launches on July 1st. This change will result in
13 child care providers being paid the reimbursement rate of the
14 workforce area that they are located in rather than the
15 workforce area that the child is located in. That aligns with
16 how our market rates survey determines those reimbursement
17 costs. Based on our review there are 21 boards whose average
18 cost has increased and we are recommending the distribution of
19 \$20,986,281 to allow them to meet their initially approved
20 targets. The remaining seven boards can afford to serve a total
21 of 327 additional average kids per day, and we are recommending
22 adjustments to their targets. All of these details are laid out
23 on Attachment 1 of the discussion paper. We're also recommending
24 that you authorize staff to conduct a year-end reconciliation to
25 ensure that board's average cost did not increase to a point

1 that made their BCY24 target unaffordable and distribute funding
2 to boards whose average cost increases would mean that they
3 wouldn't have a sufficient amount of funding to meet their
4 contracted approved target, and I'd be happy to answer any
5 questions.

6 CHAIRMAN DANIEL: Any comments or questions?

7 COMMISSIONER TREVIÑO: None here.

8 COMMISSIONER ESPARZA: No questions.

9 CHAIRMAN DANIEL: Is there a motion?

10 COMMISSIONER TREVIÑO: Chairman, I move we
11 approve an additional Board Contract Year 2024 child care
12 allocation distribution of \$20,986,281 to 21 boards, increase
13 certain boards' performance targets, and authorize staff to
14 conduct a year-end reconciliation as described in the discussion
15 paper and presented today by staff.

16 COMMISSIONER ESPARZA: I second.

17 CHAIRMAN DANIEL: It's been moved and
18 seconded, and the motion carries.

19 REAGAN MILLER: Thank you.

20 CHAIRMAN DANIEL: All right. No legislative
21 report today. Is there an executive director's report?

22 MR. SERNA: Yes, sir. One quick item. Just
23 want to let the commissioners know that we received notice of a
24 DOL grant opportunity to help support individuals who are
25 reentering the workforce coming out of the justice system. This

1 is different than the previous grant, the PROWD grant, in that
2 this is focused on state and county facilities and not federal
3 facilities. Potential grant awarded between one and four
4 million, and the services provided are to assist individuals in
5 job search and job acquisition so we'll work with local boards
6 to determine how many of those boards want to participate, and
7 then we'll submit a grant. So I just wanted to give you a heads-
8 up that we'll continue to work towards that. This fits with our
9 instruction from the commission that that's a focus area for us
10 so that's all I have to report, Mr. Chairman.

11 CHAIRMAN DANIEL: Ed, I have a request. I
12 understand there will be an annual meeting later this year. In
13 years past we've presented awards that were cash awards. I'm
14 interested in taking a look at rethinking awards maybe to do a
15 better job of incentivizing innovative activities that boards
16 are doing. Can you please ask staff to bring forward a
17 discussion paper to establish some innovation fund boards could
18 use to apply for to get money to do innovative things, things
19 that might not be otherwise contained in the contract that would
20 benefit workforce in Texas, and to do this in lieu of the
21 monetary awards?

22 MR. SERNA: Yes, sir. We'll do that. We'll
23 get right on that.

24 CHAIRMAN DANIEL: Is there any other order
25 of business to come before the commission?

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COMMISSIONER ESPARZA: No, sir.

COMMISSIONER TREVIÑO: None here.

CHAIRMAN DANIEL: Is there a motion to
adjourn?

COMMISSIONER TREVIÑO: I move to adjourn.

COMMISSIONER ESPARZA: Second.

CHAIRMAN DANIEL: It's been moved and
seconded to adjourn and we're adjourned.