

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, FEBRUARY 26, 2019

BE IT REMEMBERED THAT at 8:30 a.m. on
Tuesday, the 26th day of February, 2019, the above-entitled
matter came on for hearing at the Texas Workforce
Commission, TWC Building, 101 East 15th Street, Room 244,
Austin, Texas, before RUTH R. HUGHS, Chair; JULIAN ALVAREZ
and ROBERT D. THOMAS, Commissioners.

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

PAGE

PROCEEDINGS, TUESDAY, FEBRUARY 26, 2019

AGENDA ITEM NO. 2 3
 Les Trobman

AGENDA ITEM NO. 3 7
 Sherri Miller

AGENDA ITEM NO. 4 7
 Jennifer Turner

AGENDA ITEM NO. 5 7
 Jennifer Turner

AGENDA ITEM NO. 6 8
 Sherri Miller

AGENDA ITEM NO. 7 8
 Sherri Miller

AGENDA ITEM NO. 9 9
 Randy Townsend & Chris Nelson

AGENDA ITEM NO. 10 11
 Jason Stalinsky & Chuck Ross

AGENDA ITEM NO. 11 15
 Jason Vaden & Allison Wilson

AGENDA ITEM NO. 15 25
 Tom McCarty

AGENDA ITEM NO. 16 26
 Ed Serna

AGENDA ITEM NO. 17 19
 Adjournment

REPORTER'S CERTIFICATE 32

P R O C E E D I N G S

TUESDAY, FEBRUARY 26, 2019

(8:30 a.m.)

AGENDA ITEM NO. 2

UNIDENTIFIED SPEAKER: Good morning. Yes, we have a Robert Williams here. State your name and affiliation for the record.

MR. WILLIAMS: Good morning. My name is Robert Williams, and I left my glasses, I think.

CHAIR HUGHS: Good morning, Mr. Williams.

MR. WILLIAMS: I've got them. And I am representing President Gene Collins of the Texas Coalition of Black Democrats, and also, the Office of Representative Ron Reynolds on re-funding Project RIO. I would first like to apologize to the board for not contacting you before. I really wanted to get this information before you, but you know the way that it goes in politics, things kind of pop up and move quickly and that's kind of where we are.

Representative Reynolds had written up a House Resolution 387. I believe you have it there. I would like to read that for the audience. The resolution reads: House Resolution Number 387 by Reynolds. Whereas reducing recidivism is a key to controlling cost in the correction system, and whereas in the 1980s Texas launched Project Re-Integration of Offenders, better known as Project RIO, to

1 prepare inmates to participate in the workforce following
2 their release. Coordinated by the Texas Workforce
3 Commission and the Texas Department of Criminal Justice.

4 The initiative provided job assessment
5 specialists to train inmates for employment. Upon release
6 former prisoners received referrals to Project RIO through
7 their parole officers. By 1980 the program had a pool of
8 more than 12,000 employers willing to hire former offenders.

9 And whereas, the National Institute of
10 Justice, a program of the United States Department of
11 Justice, praised Project RIO as one of the most ambitious
12 state government programs for placing parolees in jobs. It
13 published an extensive report citing marked improvement in
14 the percentage of former inmates securing employment and a
15 significant reduction in the percentage of high-risk
16 parolees re-incarcerated.

17 And whereas, considerable hard evidence has
18 shown that when inmates find decent jobs soon after release,
19 they are less likely to resume criminal behavior. And
20 Project RIO has played a vital role in preparing offenders
21 for a successful transition to life beyond prison walls.

22 Now, therefore, be it resolved that the House
23 of Representatives of the 86th Texas Legislature hereby
24 express support for the full reinstatement of Project Re-
25 Integration of Offenders, and be it further resolved that

1 the chief clerk forwarded an official copy of this
2 resolution to the executive directors of the Texas
3 Department of Criminal Justice and of the Texas Workforce
4 Commission.

5 The Texas Coalition of Black Democrats are
6 fully committed to criminal justice reform. We are at the
7 capital right now pushing forward our agenda. It seems to
8 be one of the most fertile times, I believe, in history for
9 bi-partisan support on this issue. After I found out about
10 Project Rio it simply made sense. We already had the
11 template there.

12 There are some organizations in Texas that
13 are doing what I call spot treatment reinstatement. But our
14 goal is always comprehensive criminal justice reform, which
15 is what Project Rio did.

16 And so, we are working towards making that
17 happen. The Texas Black Caucus is in full support of
18 refunding Project Rio, but I would have to tell you that I
19 have spoken with some ex-offenders who have -- who are
20 actually participated in Project RIO towards the end and
21 were -- didn't find it to be a very successful program. And
22 I believe that is because it switched from the care of the
23 Texas Workforce Commission over to the Texas Department of
24 Criminal Justice. Right? It's a program to decrease
25 recidivism. The Texas Department of Criminal Justice gets

1 paid to have people in jail, not to make sure they don't
2 come back in. So that just didn't work out very well.

3 And as we go through this thing, and just a
4 suggestion, I think one of the key components that made it
5 so successful in its early going, is that there were
6 designated people assigned to their clients. They didn't do
7 that in the Texas Department of Criminal Justice System when
8 it switched over to them.

9 Some of these ex-offenders that I have spoken
10 with even yesterday are those who have fought their way
11 through, besides the collateral damage that they come across
12 on, well, you're an ex-felon, you can't apply for a school
13 loan. You can't apply to go to college. You can't get a
14 loan to get -- any of those things they still fought
15 through. They are -- have bachelor's and master's degrees
16 today. And it is my opinion that those are the type people
17 that would resonate well with the clients that they would
18 serve.

19 And so, I guess I'm saying that if it is
20 refunded, I think there needs to be an emphasis on
21 specifically hiring those who would best serve these
22 individuals to achieve the goals that we want. And that is
23 reducing recidivism, because you reduce recidivism you
24 reduce mass incarceration. You reduce mass incarceration,
25 you reduce the need for private prisons. You get people

1 back home with their families.

2 So, I thank you very much for the time you've
3 allowed me.

4 CHAIR HUGHS: Thank you, MR. Williams. All
5 right, I'll now turn the meeting over to Commissioner Thomas
6 to preside over Agenda Items 3 through 7.

7 AGENDA ITEM NO. 3

8 Discussion, Consideration and Possible Action
9 Regarding Whether to Assume Continuing Jurisdiction on
10 Unemployment Compensation Cases, Wage Claim Cases, and/or
11 Tax Liability Cases and Reconsideration of Unemployment
12 Compensation Cases, Wage Claim Cases, and/or Tax Liability
13 Cases, if Any

14 No Discussion.

15 AGENDA ITEM NO. 4

16 Discussion, Consideration and Possible Action
17 Regarding Tax Liability Cases Listed on the Texas Workforce
18 Commission Docket 9.

19 The Commission considered and took action on
20 all tax liability cases listed on Docket 9

21 AGENDA ITEM NO. 5

22 Discussion, Consideration and Possible Action
23 Regarding Fair Housing Cases listed on the Texas Workforce
24 Commission Docket 9.

25 No Discussion.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

AGENDA ITEM NO. 6

Discussion, Consideration and Possible Action
Regarding Higher Level Appeals in Wage Claim Cases Listed on
the Texas Workforce Commission Docket 9.

The Commission considered and took action on
all wage claim cases listed on Docket 9.

AGENDA ITEM NO. 7

Discussion, Consideration and Possible Action
Regarding Higher Level Appeals in Unemployment Compensation
Cases Listed on the Texas Workforce Commission Docket 9.

The Commission considered and took action on
all unemployment compensation cases listed on Docket 9.

AGENDA ITEM NO. 8

CHAIR HUGHS: All right, we are back in
session. Item 8, Discussion, Consideration and Possible
Action Regarding the Acceptance of Pledges for Board
Contract Year 2019 Child Care Matching Funds. Travis
Weaver. Good morning.

MR. WEAVER: Good morning, Chair Hughs,
commissioners, MR. Serna. For the record, Travis Weaver,
Workforce Development. Annually local workforce development
boards submit local pledges to secure federal childcare
funds pursuant to Commission Rule 800.73. Today's
acceptance will complete the pledge process for BCY '19.
Today the staff requests commission acceptance of childcare

1 pledges for donations, transfers, and certifications of
2 expense in the amount of \$2,840,980.

3 CHAIR HUGHS: Thank you. Are there any
4 questions or comments, commissioners? Do I have a motion?

5 COMM. ALVAREZ: I move that -- correction.
6 Sorry. I move that we accept childcare match in the amount
7 of \$2,840,980 for Board Contract Year 2019.

8 COMM. THOMAS: Second.

9 CHAIR HUGHS: All right, we are unanimous.
10 Thank you.

11 MR. WEAVER: Thank you.

12 AGENDA ITEM NO. 9

13 CHAIR HUGHS: Item 9, Discussion,
14 Consideration and Possible Action Regarding the Texas
15 Workforce Commission Appropriations Request (Including
16 Exceptional Items and Riders) for the Fiscal Years 2020 and
17 2021 Biennium.

18 MR. SERNA: No ma'am, we don't have --

19 CHAIR HUGHS: Oh, actually I don't think we
20 have any. Sorry, there's nothing for Item 9.

21 MR. SERNA: No ma'am. We don't have anything
22 on that.

23 CHAIR HUGHS: Right. Okay. We'll move on to
24 Item 10.

25 AGENDA ITEM NO. 10

1 CHAIR HUGHS: Item 10, Discussion,
2 Consideration and Possible Action Regarding Policy Concepts
3 on Amendments to Texas Payday Rules, Withdrawal of Wage
4 Claims.

5 MR. ROSS: Good morning, Chair Hughs,
6 Commissioner Alvarez, Commissioner Thomas, Mr. Serna. For
7 the record, I am Chuck Ross, Deputy Director of the
8 Regulatory Integrity Division.

9 For this agenda item I will be requesting two
10 decisions from the commissioners. Today you have before you
11 -- today you have before you a policy concept to amend
12 Chapter 821 Texas Payday Rules. As currently written,
13 Commission Rule 821.43 allows a wage claimant to withdraw a
14 wage claim whether or not it has -- it has become final.
15 When a withdrawal request is submitted and approved, TWC no
16 longer enforces any orders issued, including administrative
17 penalties, and releases all liens and freezes.

18 Staff have determined that Section
19 821.43(a)(2) of the rule creates loophole challenges by
20 implying that a final order may be altered or set aside by
21 the wage claimant him or herself.

22 On January 14th of this year, the Regulatory
23 Integrity Division issued a letter addressing this issue by
24 creating a new process whereby a wage claimant may file a
25 satisfaction of payment declaration to halt collection

1 action on a final wage claim decision in lieu of a
2 withdrawal.

3 This morning staff seeks approval to move
4 forward with proposed rules as outlines in this policy
5 concept, specifically amending Chapter 821 to conform with
6 statute by clarifying that a wage claim may be withdrawn
7 only when the order has not yet become final. The preamble
8 to such an amendment would clarify that a satisfaction of
9 payment declaration differs from a withdrawal in that TWC
10 must still pursue administrative penalties in the claim as a
11 debt to the state as required by law, and that the employer
12 will still be credited with violation.

13 This is the first decision point.

14 CHAIR HUGHS: Thank you for that. Do we have
15 any comments or questions? Okay, and is there -- do you
16 want two separate motions?

17 MR. ROSS: I think that would be helpful for
18 clarity, ma'am.

19 CHAIR HUGHS: Okay. All right. Do we have a
20 motion on that portion?

21 COMM. ALVAREZ: I move that we approve the
22 recommended amendments to the Chapter 821 rules regarding
23 wage claim withdrawals.

24 COMM. THOMAS: Second.

25 CHAIR HUGHS: We are unanimous.

1 MR. ROSS: Thank you. The second point,
2 staff is also seeking a second decision with respect to
3 whether additional investigation and legal analysis should
4 be undertaken concerning a conditional bad faith penalty in
5 instances where a wage order is final, and the employer has
6 not paid the wages within a specified timeframe.

7 In such cases the penalty would be invoked,
8 and the agency would pursue collection actions. If the
9 wages were actually paid within the timeframe prescribed by
10 the agency, the agency would not pursue the penalty.

11 I'm here to answer any questions you may have
12 on this option.

13 CHAIR HUGHES: Are there any questions?

14 COMM. THOMAS: My only question is,
15 Commissioner Hughes, is this -- does this address the issues
16 and the questions that you had?

17 CHAIR HUGHES: Right. I do have a comment
18 that I appreciate the analysis, and I appreciate that we had
19 looked at how we can best work with employers to make sure
20 they are not penalized in the instances where they've
21 clearly tried to make the payments, but also be true to the
22 law. So, thank you for the analysis, and I'm satisfied with
23 the way it's been presented. Thank you for the question.
24 All right, is there a motion?

25 COMM. THOMAS: In light of that, I move to

1 accept staff recommendation.

2 COMM. ALVAREZ: I'll second that. But I do
3 have a comment.

4 Just for the record. Before I -- I maybe
5 should go back. But I do want to make a comment regarding
6 the second issue that you brought up, Chuck.

7 The current application of the bad faith
8 penalty provisions assumes that the employers had the
9 opportunity to comply with the payday law, but instead
10 knowingly and recklessly disregarded the law. I can see no
11 good reason to give such an employer a further opportunity
12 to avoid penalization. Such would encourage unscrupulous
13 employers to see that bad faith, withholding of wages, as a
14 viable strategy for managing labor costs, and it would shift
15 greater pressures onto claimants who have rightful wage
16 claims. Those are my comments of record.

17 CHAIR HUGHS: Sounds like we're unanimous on
18 the vote. Thank you.

19 COMM. ALVAREZ: Yes.

20 MR. ROSS: Thank you.

21 AGENDA ITEM NO. 11

22 CHAIR HUGHS: Okay, Item 11, Discussion,
23 Consideration and Possible Action Regarding Shared Services
24 Funding for Texas Rising Star Child Care Providers.

25 MS. ARBOUR: Good morning, chair,

1 Commissioners, Mr. Serna. Courtney Arbour, Workforce
2 Division.

3 Childcare Development Fund Regulations
4 require states to use a portion of the funds for activities
5 designed to improve the quality of childcare services. The
6 regulations emphasize the need for state to use quality
7 funds to help providers enhance their services and business
8 practices.

9 In recent weeks we've talked a lot about some
10 of the options for this, including shared services models.
11 In your notebook is a discussion paper which seeks approval
12 for a distribution of awards totaling 750,000 in CCDF
13 funding, and it lays out a distribution methodology that
14 would be used to include a \$7,500 base for each board, and
15 the remainder distributed based on the board's percentage of
16 TRS providers state-wide.

17 That said, in the last couple of business
18 days Texas Education Agency has confirmed that they will be
19 awarding a grant to TWC for \$140,000 for this same type of
20 services. So today staff recommends approval of \$610,000 in
21 in CCDF funding, to be coupled with the \$140,000 granted by
22 TEA for a total distribution to boards of \$750,000. And we
23 would request, as you consider this, that you also approve
24 the distribution methodology laid out in the paper, so that
25 we could apply it to both the CCDF funds totaling 610,000,

1 and also the 140,000 from TEA.

2 CHAIR HUGHS: Again, on the 140,000. I
3 understand we're waiting on that time frame that we
4 anticipate will be this year.

5 MS. ARBOUR: I actually confirmed with their
6 staff yesterday. It will be four to six weeks it will be in
7 contract. We have a call scheduled this week to work out
8 the details of that agreement.

9 CHAIR HUGHS: All right, are there any
10 comments or questions on this one? Okay, go ahead. Take
11 them one at a time. Commissioner Thomas.

12 COMM. THOMAS: Courtney, I'm confused as to
13 the back and forth that happened around the 890,000 and
14 initial staff's discussion and request for that versus
15 within 24 hours how we got to this. And so, I just want to
16 make sure -- I'm comfortable with that other staff's
17 recommendation is, but I have no insight into how -- what
18 discussions, deliberations or whatever going on. And this
19 didn't seem to be the most effective one for me to thank you
20 to get my head around how to support the staff most
21 effectively and directly. So, I just need some
22 clarification of why are you not asking for 890,000 and what
23 happened to that?

24 MS. ARBOUR: Sure. We -- there are a few
25 different pricing models for shared services, and some we

1 don't know about, because they've -- there're companies that
2 are present in Texas now, and companies in other states,
3 that are not. So, we started running numbers to see how
4 many providers we thought would be supported with this
5 versus the higher dollar amount.

6 We had a lot of conversation over the
7 weekend, because this -- again, this was a -- we learned on
8 Friday about the confirmation about the 140,000, so we had a
9 lot of conversations over the weekend. Because we were --
10 we believe your intent was to do this on a pilot basis, we
11 thought it best to, after giving more thought, to make a
12 staff recommendation to keep it at the add -- the original
13 amount staff had proposed, which was 750,000. Knowing that
14 should the commission wish to put out more funding for this
15 initiative in the future we could bring it back for separate
16 action.

17 COMM. THOMAS: Right. I guess my point is
18 you specifically included that in your email initiative.
19 You initially said 750,000 plus the 140,000 it was
20 guaranteed that it was coming to us. This seems to be a
21 very critical initiative. It's -- we're under tremendous
22 pressure to try to get these funds into the marketplace to
23 make a critical impact for childcare. Your specific initial
24 request was for 750,000 plus the 140,000, and I was prepared
25 to support that. I just don't know why that was removed

1 from my opportunity to discuss that today. How did that
2 happen?

3 MR. SERNA: I'm sorry. Allow me to
4 interject. Yesterday, I was briefed by the staff on this
5 initiative. I've been briefed previously, but, I mean,
6 prior to commission meeting we have a standing workforce
7 policy meeting. Staff mentioned to me the additional
8 140,000 above the 170,000. My instruction to staff was to
9 stick with the -- with the absolute original.

10 Our absolute original for this proposal was
11 \$750,000, it was a pilot. If the pilot's successful then we
12 would come back to the commission with the result and the
13 request for additional funding, or the continuation of this
14 funding.

15 When TEA indicated to us that they were
16 adding an additional 140,000, as it was explained to me
17 yesterday, I think staff jumped on the opportunity to just
18 add the additional 140,000. That would overcommit us,
19 because that's a one time. Infusion of funds. If the
20 project was successful, the pilot was successful, at the
21 original 750,000, then we would know that we could probably
22 sustain that amount without the extra 140,000. If we
23 increased it above the original 750,000, then we maybe
24 overcommitting ourselves, or having to scale back on a
25 program that ended up being successful, so the decision was

1 last minute, it was my decision yesterday morning
2 instructing staff to just stick with the original 750,000.
3 Let's not be throwing more money in there and overextending
4 ourselves. So that's how we got to where we were, and was
5 about that fast, at about 10:30, 10:45 in the morning, so.

6 COMM. THOMAS: I appreciate that
7 clarification. So as a pilot by definition it is one-time
8 money. I understand the distinction you're making, but
9 since I understand also that there's been a desire to build
10 stronger metrics and accountability and need to be able to
11 get pilot monies out as -- in additional places,
12 particularly given that this is a \$7,500 base, that's
13 relatively small money for us to try to accomplish the
14 things we were trying to accomplish.

15 MR. SERNA: Right.

16 COMM. THOMAS: I guess then all I'd say is
17 from a process perspective, it would be helpful to me that
18 maybe if you had, and your staff had, a chance to kind of
19 evaluate some of these things, you know --

20 MR. SERNA: Yes, sir. I understand. I
21 understand completely.

22 COMM. THOMAS: Before the recommendation was
23 made. I appreciate the effort to communicate it, it was
24 just happening very quickly, and I didn't have a chance to
25 process it with all the other things that were going on in

1 my office, and I've had my briefing. I was ready to go when
2 all of the sudden this changed and I didn't understand how
3 or what, and I didn't have the opportunity to get that
4 clarification. So, thank you for the clarification.

5 CHAIR HUGHS: Do you have any comments?

6 COMM. ALVAREZ: Yes, I do. Thank you.

7 Courtney, thanks for all your work on this. And so, I'm
8 glad to see this proposal moving forward. We've continued
9 to hear from providers for the need for shared back office
10 services. Shared services for Texas or Rising Star
11 providers can reduce cost and help increase the number of
12 quality providers. Again, I want to thank you for all the
13 hard work you've put into this pilot program.

14 CHAIR HUGHS: Thank you. I, too, appreciate
15 this. I know that you were not expecting that call on
16 Friday, and that you spent a lot of time with your staff
17 trying to figure out what is the right answer and what is
18 the best recommendation. Initially you all had determined
19 that 750,000 was the right number for a pilot, and I
20 continue to support that to the extent that that's still
21 where you think we should be.

22 I appreciate the email suggested, you know,
23 maybe more money is better, but ultimately, I agree that
24 erring on the side of not overcommitting and underdelivering
25 is probably better. And so, if we can start this pilot at

1 the amounts that you suggest, please know, I think it sounds
2 pretty clear from up here that we would all be willing to
3 increase the amounts if we deem that that is appropriate and
4 necessary.

5 I also want to add that I think it's
6 important to have some measurable outcomes, so I'd like for
7 staff to develop -- what does the ROI look like? What are
8 we expecting to get back from this investment? Whether it's
9 an increase in TRS, or whatever that might look like I think
10 would be important to make sure we know going in, so we can
11 look for those things as we make decisions about investing
12 more money.

13 COMM. ALVAREZ: I agree with you.

14 MS. ARBOUR: Chair Hughs, we anticipate
15 asking the boards to work closely with the providers who
16 were given these opportunities, or license, through the
17 funding, and to track those that decide to pay for this on
18 an ongoing basis after the funding is no longer provided by
19 TWC.

20 Additional we'll be working on a survey to
21 share with boards for the providers that receive this to
22 tell us their perceptions of value. Any dollar -- dollars
23 that they believe were saved as a result of this, which is
24 difficult for some of our early care providers, but we'd
25 like to at least get their perceptions on the time and money

1 saved as a result of this.

2 But we believe seeing how many of them pay
3 for it out of pocket going forward, is a good indicator of
4 the value of what we've done.

5 CHAIR HUGHS: Thank you for that. Is there a
6 motion on this item?

7 COMM. THOMAS: Another quick follow up
8 question, please. What was the -- what were the concepts
9 for deliberation to come up with the 750,000? What were the
10 metrics that you all looked at to figure out whether 750,000
11 as a base amount was appropriate?

12 MS. ARBOUR: So as of the last count our TRS
13 number, I'm looking around to make sure, I believe it's
14 1,446 TRS providers in the state. The pricing models for
15 these are very different. One of the providers requires
16 that you -- it's confusing, but they require that you buy in
17 very large bulk, and they don't give you a per provider
18 cost, so we're not able to really efficiently cost that one
19 out. But we've heard from another vendor, or looked at
20 their pricing, and it's around \$1100 or \$1200 per year, per
21 provider. So, we used that one, because we can work with
22 hard numbers on that.

23 And the other one is around that cost we
24 believe also, that because the model is priced differently
25 its' hard to say. We used that \$1100 and looked to see what

1 we could do with the 750,000, and I believe that takes us to
2 625. I didn't bring my phone up here for my calculator. I
3 believe that takes us to 625 providers that could benefit
4 should the boards choose that one pricing model.

5 It would be at or more. The number would be
6 the same or higher if they choose the other model that we're
7 most familiar with. And, again, vendors from out of state
8 may participate in this, and we can't really guess, but the
9 thought was there, that we're getting close to about half
10 the TRS providers having an opportunity to use it in this
11 first year. And we thought that that was probably a good
12 starting point.

13 COMM. THOMAS: I appreciate that. That makes
14 sense that you all brought a high level of rigor to your
15 analysis. Courtney, it's what you always do. So, I'm
16 saying doesn't make sense to me the distinction of making a
17 change of 140,000. So, the base analysis would not have
18 changed just because there was somebody that was willing to
19 offer dollars. Because you just confirmed the base analysis
20 had already been performed.

21 So I just want to be really clear, when we
22 hear the senate and the house talking to us about TRS, when
23 we hear them talking about child care, when I go to the
24 different workforce boards and talk to them about their
25 needs and the difficulties associated with TRS, and that

1 we've been talking for a very long time about shared
2 services and other ways, that -- my point is let's not --
3 let's just make sure we're being very consistent. Since you
4 had a rigorous base and analysis to start from, the addition
5 of 140,000 from what you've basically just confirmed from,
6 and what your emails show from the Texas Education Agency,
7 didn't impact that.

8 And so, I just want to make sure I understand
9 the rationale you provided. But if we're intellectually
10 honest with each other, I trust your fundamental underlying
11 work. That's what I'm trying to tell you. I think your
12 team is strong, and I think you're strong. Right?

13 So, as for what you know you need, I agree
14 with the chair emphatically to make sure that we have
15 metrics in ROI that are reported -- that are both the base of
16 what you do, that are based upon the calculations and
17 analysis that you did to get this number going, and that
18 that be the basis of the -- how you measure the success of
19 this pilot, and that that information be provided to the
20 dais to help us understand how you intend to measure that
21 ahead of time.

22 MS. ARBOUR: Thank you for your comments.

23 CHAIR HUGHS: Thank you. Do we have a
24 motion?

25 COMM. ALVAREZ: Yes. And, Courtney, there

1 are 1443 TRS providers, you were right.

2 MS. ARBOUR: Passed the test. Thank you.

3 COMM. ALVAREZ: You passed it, so I trust
4 you.

5 MS. ARBOUR: Good, thank you.

6 COMM. ALVAREZ: I move that we use the
7 750,000 in combined Preschool Development Grant and CCDF
8 Quality funds to implement and evaluate the effectiveness of
9 shared back-office services for Texas Rising Star certified
10 childcare providers with funding distributed to boards as
11 recommended by staff.

12 COMM. THOMAS: I affirm the amendment is to
13 add on the requirement that the measurement -- the metrics
14 be established on the front end and agree to -- and clearly
15 both quantitative and qualitative, to be able to assess the
16 success of this pilot.

17 COMM. ALVAREZ: I agree with it.

18 COMM. THOMAS: And I second it.

19 CHAIR HUGHS: All right. Does that present
20 any -- is that something that's -- okay. I know you
21 mentioned -- you mentioned that some of the money saved can
22 be -- you're going to be looking at what some of those
23 outcomes will be like, so does this amended language help
24 you to -- is that something you can work with, is my
25 question.

1 MS. ARBOUR: Yes.

2 CHAIR HUGHS: Yes, okay. Wonderful. Then we
3 are unanimous and thank you for the time you spent on that.
4 And I do appreciate Commissioner Thomas' comments about the
5 analysis that you all did to come to that 750,000 and
6 because it was thoughtful and well thought out and is a good
7 plan, I'm glad that we're going forward with it. Thank you.

8 MS. ARBOUR: Thank you.

9 AGENDA ITEM NO. 15

10 CHAIR HUGHS: All right. There is nothing
11 for Items 12, 13 and 14. Item 15, Discussion, Consideration
12 and Possible Action Regarding Enacted, Proposed or
13 Considered Federal Regulations, Executive Orders, or Federal
14 or State Enacted or Proposed Legislation. Tom McCarty.

15 MR. McCARTY: Good morning Chair Hughs,
16 Commissioner Alvarez, Commissioner Thomas. Tom McCarty with
17 external relations. We're monitoring two hearings each at
18 the -- at the federal level and the state level. At the
19 federal level at 1:00 p.m. today the use -- U.S. Senate
20 Veterans Affairs Committee will hold a hearing on the
21 legislative goals of disabled American veterans. And then
22 tomorrow, at 9:00 a.m. the U.S. Senate Veteran Affairs
23 Committee will hold a hearing on the legislative goals of
24 the American Legion.

25 Here at the state level we've got two

1 hearings; both of them are today, and they start at 8:00
2 this morning. The first one is House Human Services
3 Committee, Debbie Carlson's going to be -- is at that
4 hearing as a resource witness for House Bill 285 by
5 Representative Springer, which relates to work requirements
6 and employment and training services for certain persons
7 receiving benefits under the SNAP program.

8 And then the second hearing we're watching is
9 the House Appropriation sub-committees on Articles 6, 7 and
10 8. They're having a formal meeting to discuss budget
11 recommendations for Article 7, which is our article.

12 We'll keep you posted on those, and I'm
13 available if you have any questions.

14 CHAIR HUGHS: Any questions? Thank you,
15 Tom.

16 MR. McCARTY: Thank you.

17 COMM. THOMAS: Thank you, Tom.

18 AGENDA ITEM NO. 16

19 CHAIR HUGHS: Item 16, Report and Update by
20 the Executive Director and Staff Regarding Administrative
21 Matters, Including Internal Policies and Procedures,
22 Customer and board Service Issues, Status of the Current or
23 Potential Project Assignments, Organizational Matters and
24 Responsibilities of the Agency's Divisions. Which I usually
25 skip and just say, do we have any updates, Ed?

1 MR. SERNA: No, ma'am. I appreciate it.
2 Just to let you know that staff continues to provide
3 information to the legislature to respond to legislative
4 request as well as staff, to testify on bills as asked, and
5 of course, we testify on bills.

6 We did have a very successful meeting with
7 Senator West on his request at Senate Finance. He also
8 posed some challenges to us concerning our historically
9 underutilized business, or hub expenditures. And we're
10 working to improve those numbers based on the senator's
11 feedback, but the senator was very appreciative of the
12 information that we gave him concerning the populations that
13 he was interested in, and our service to those populations,
14 as well as some proposed programs.

15 So, we had a very good meeting with Senator
16 West and his staff.

17 COMM. ALVAREZ: Ed, can I have -- are you
18 distributing those comments, or your response to Senator
19 West, to the commission?

20 MR. SERNA: You should have received copies
21 of them, but I will make sure that if you haven't gotten
22 them that you already have, because it was a one-pager front
23 and back.

24 COMM. ALVAREZ: Okay. We may have gotten it.
25 I apologize.

1 MR. SERNA: We kind of fudged on the one-
2 pager piece by doing front and back.

3 COMM. ALVAREZ: All right.

4 COMM. THOMAS: Ed, I read it, it was really
5 good.

6 COMM. ALVAREZ: Thank you, Ed.

7 MR. SERNA: Thank you, sir.

8 COMM. THOMAS: It was really good,
9 colleagues. I know you may not have both got a chance to
10 look at it yet, it was just fairly recent, but I wanted to
11 tell you thank you for addressing the senator's comments so
12 effectively and thoroughly. And, quite frankly, thank you
13 so much for working hard with the staff to figure out what
14 was really being asked to make sure we could try to be
15 responsive.

16 MR. SERNA: Right, yes sir. And just as a
17 side note, you may recall in the Senate Finance Hearing I
18 committed to the senator that we would have something to him
19 on the 15th. We did reach out to his office. We tried to
20 schedule something with the 15th and he was unavailable, and
21 the earliest we could schedule it was last week.

22 When I met with the senator, I did tell him
23 that I had reached out by my deadline and he chuckled and
24 said: Yeah, I know. We weren't available. So, he was good
25 with it. I just wanted to make sure he knew we were meeting

1 our deadlines. That's all I had, ma'am.

2 CHAIR HUGHS: Busy times. Thank you for
3 that, and for all the staff's work during session. I know
4 we're busy with lots of responses that we're getting back to
5 different offices about. I really appreciate all the hard
6 work being put in.

7 So, is there a motion to adjourn?

8 COMM. THOMAS: I've got an issue I'd like to
9 take up with our executive director real quick.

10 CHAIR HUGHS: Okay.

11 COMM. THOMAS: Ed, I wanted to talk to you
12 and ask for your help and staff's help on Texas CREWS. I
13 understand that the college and career advising tool that
14 was developed in partnership with the Texas Higher Education
15 Coordinating Board is in need of update and has been for a
16 while. And I -- as I understand it, if I've understood from
17 your staff and my staff, that's a legislative imperative to
18 maintain that, keep it updated, if I've got that correct.

19 But regardless, it's imperative that we
20 continue to elevate and improve college and career
21 consulting resources for students and parents and
22 particularly for our students who are struggling, students
23 who are economically disadvantaged, students with
24 disabilities, or students in foster care. To assist
25 students, all students, but particularly those students.

1 MR. SERNA: Yes, sir.

2 COMM. THOMAS: In making meaningful and
3 achievable college and career plans as set out by Tri-Agency
4 report. So would you please undertake to find out where the
5 status is of getting that critical tool updated, and taking
6 the lead on helping us get that done?

7 MR. SERNA: Yes, sir. We've -- we relied on
8 outside sources for getting a lot of that done, and I think
9 we need to -- we need to take more of a driving force behind
10 actually doing what we need to do, because it is a critical
11 tool for us. And I will.

12 COMM. THOMAS: And just, did I get -- did I
13 understand it correctly, that that was legislatively
14 mandated to be maintained?

15 MR. SERNA: I believe it was. I'd have to
16 check, yes sir, but I think --

17 COMM. THOMAS: Okay. Yeah. Nope. Got you
18 on that. Yeah. Okay. And then -- all right, that'd be
19 great. Thank you.

20 MR. SERNA: We will. We'll take the lead on
21 this.

22 COMM. THOMAS: Thank you, sir.

23 AGENDA ITEM NO. 17

24 CHAIR HUGHS: Anything else? All right, do I
25 have a motion to adjourn?

1 COMM. ALVAREZ: Commissioner?

2 COMM. THOMAS: I move to -- I move to

3 adjourn.

4 COMM. ALVAREZ: I'll second that.

5 CHAIR HUGHS: Thank you, we are adjourned.

6 Have a good day.

7

8 (Proceedings concluded at 9:30:42 a.m.)

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

STATE OF TEXAS)

COUNTY OF HARRIS)

I, Kimberly C. McCright, Certified Vendor and Notary in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 8th day of March, 2019.

/s/ Kimberly C. McCright
Kimberly C. McCright
Certified Vendor and Notary Public

Verbatim Reporting & Transcription, LLC
1322 Space Park Drive, Suite C165
Houston, Texas 77058
281.724.8600