



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

May 19, 2020

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TUESDAY, MAY 19, 2020

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

MR. TROBMAN: [Unintelligible].

CHAIRMAN DANIEL: Thank you very much. Good morning, Ms. Miller.

CHAIRMAN DANIEL: Thank you. This brings us to the end of Agenda Items three through seven. Let's pause for a couple minutes to reset for the rest of the meeting.

Let's move to Agenda Item eight, discussion consideration and possible action regarding the 2019-2020 customer service report for submission to the Legislative Budget Board and Governor Pursuant to Texas Government Code Section 2114.002.

JESSICA SANTIAGO: Good morning, my name is Jessica Santiago. I am an ombudsman in the Customer Relations Department at TWC. Thank you, Mr. Chairman, and commissioners for having me this morning. Today I am presenting the TWC Customer Report for 2019-2020. This report is required by statute to be submitted to the Governor's Office and the Legislative Budget Board on June 1st each even-numbered year. We had the opportunity to speak with you or your staff and receive input and feedback on this year's report. We incorporated the

1 comments and edits received by your offices, and I look forward
2 to working with everyone again.

3 Highlights of this year's report include
4 robust information on the launch of the new WorkInTexas.com and
5 the continued outreach, increased number of employers who are
6 registered online for new accounts using TWC online Unemployment
7 Tax Registration system, and new efforts to improve assisting
8 claimants and employers. As each of you noted during our
9 meetings, we will continue to monitor customer satisfaction for
10 our TWC programs to ensure we are providing the highest level of
11 service to our customers.

12 I am seeking your approval on the 2019-2020
13 Customer Service Report and, if necessary, allow staff to make
14 any technical [unintelligible] changes for final publication and
15 submission of the report. Thank you.

16 CHAIRMAN DANIEL: Are there any comments or
17 questions?

18 COMMISSIONER ALVAREZ: I have a few. I
19 have a few, Chairman, and just wanted to put a couple of things.
20 Great report, by the way. Love it. I've had an opportunity to
21 look at it a couple of times. I just had a couple of ideas, and
22 I wanted to know if it would be okay with the--with the support
23 of my fellow commissioners if we could--what they thought about
24 these.

25

1 On page 12, line 17, after the first
2 sentence insert. So I would ask, on page 12, line 17, to add
3 "the annual apprenticeship conference helps to provide
4 employers, employees, and educational institutions information
5 needed to create partnerships that create a skilled pipeline of
6 workers." That was one.

7 The other was on page 13, Taking the Next
8 Step section, after line 12, insert the following: "Texas
9 Workforce Commission continuously improves subject matter
10 presented at annual conferences, such as apprenticeship
11 conferences, childcare, and workforce conferences, using survey
12 feedback to refine and develop relevant content for our
13 customers." Just a recommendation.

14 CHAIRMAN DANIEL: Additional questions or
15 comments?

16 COMMISSIONER DEMERSON: None here.

17 CHAIRMAN DANIEL: Is there a motion?

18 COMMISSIONER ALVAREZ: I move that we
19 approve the 20--2019-2020 Customer Service Report for submission
20 to the Legislative Budget Board and the Governor Pursuant to
21 Governor Code--Texas Government Code Section 2114.002 with the
22 recommendation and the additions that I just referenced.

23 COMMISSIONER DEMERSON: Second.

24 CHAIRMAN DANIEL: It's been moved and
25 seconded. We're unanimous.

1 MALE: Thank you.

2 CHAIRMAN DANIEL: This is Agenda Item 9,
3 Gifts and Donations discussion and consideration of possible
4 action regarding the acknowledgement of gifts and donations of
5 \$500 or more in value given to the Texas Workforce Commission in
6 accordance with Section 301.021 of the Texas Labor Code and
7 Chapter 575 of the Texas Government Code.

8 SARAH HERNANDEZ: Good morning, Mr.
9 Chairman, Commissioners, and Mr. [unintelligible]. For the
10 record, Sarah Hernandez with the Office of General Counsel.
11 Before you here are the gifts and donations of \$500 or more in
12 value given to this Workforce Commission for the first quarter
13 of 2020 for your acknowledge and acceptance, pages 7 through 10
14 of your packet are spreadsheets showing the gifts and donations.
15 Staff recommends approval of Item 1 through 14. Thank you for
16 your consideration, and I'm available for questions.

17 CHAIRMAN DANIEL: Thank you. I have no
18 questions, but I do need to make a comment. In reviewing the
19 list of gifts and donations, I note that the first line item is
20 a travel related gift or donation for travel that I took part
21 in. Therefore, I will recuse myself from participating in any
22 vote related to that specific line item. Are there any
23 additional comments or questions?

24 COMMISSIONER ALVAREZ: No, Chairman.

25 COMMISSIONER DEMERSON: None here.

1 CHAIRMAN DANIEL: Is there a motion?

2 COMMISSIONER ALVAREZ: I move that we
3 acknowledge the gifts and donations valued at more than 500 as
4 discussed by staff.

5 COMMISSIONER DEMERSON: Second the motion.

6 CHAIRMAN DANIEL: Having recused myself
7 from the vote on line item 1, the vote passes my majority vote.
8 We're unanimous on the remaining items.

9 SARAH HERNANDEZ: Thank you.

10 CHAIRMAN DANIEL: Thank you. I'm showing
11 we have nothing for Agenda Item 10, so we'll move to Agenda Item
12 11, discussion, consideration, and possible action regarding
13 guidance on resource utilization and implementation of services
14 and strategies to target disaster relief efforts and public
15 health emergencies, including those funded with the Department
16 of Labor's Disaster Dislocated Worker Grant.

17 REAGAN MILLER: Good morning, Chairman,
18 Commissioners. For the record, Reagan Miller with Childcare and
19 Early Learning Division. This morning I have three COVID
20 childcare items for your consideration. The first issue seeks
21 your direction on closing essential worker childcare
22 applications. TWC approved childcare for essential workers on
23 March the 24th. This was initially implemented in light of
24 school closures and the fact that many essential workers who had
25 kids in school hadn't planned and budgeted for childcare for

1 those months as their kids were normally in school. It was
2 designed as a short-term benefit to meet immediate need so
3 childcare was only authorized for each child for three months
4 while they made arrangements for their longer-term needs.

5 Essential workers who needed childcare have
6 had over one-and-a-half months to access it. Based on this,
7 we're seeking your direction on closing essential worker
8 childcare at the end of the day on Wednesday, May 20. Any
9 applications received through that date will be processed.
10 Applications received after May 20 will not be approved and
11 processed, and the children who were approved will finish out
12 their three months of childcare.

13 The second issue we're seeking your
14 direction on is reinstating the parent share cost for at-risk
15 families. TWC waived this for all at-risk families effective
16 April 1. We noted that many parents would be unable or
17 unwilling to pay as many parents were unable to access
18 childcare. Prior to yesterday's announcement from
19 [unintelligible] that childcare is now open to all families,
20 only essential workers were authorized to bring their children
21 in to regulated care. With the governor's reopening of
22 childcare to all families, they will again be able to access
23 childcare in order to work and will be able to begin paying
24 their parent share of costs.

1 We're seeking your direction on the lining,
2 the reinstatement of the monthly parent share of costs for at-
3 risk childcare with the opening of childcare to all workers.
4 TWC would no longer waive all parent share of costs, and
5 effective June 1 would reinstate the parent share of costs
6 requirement for at-risk families.

7 And the last issue that we're seeking your
8 direction on is how we manage the CARES Act funding that is
9 being used to support the higher costs of childcare based on
10 lower ratios and group sizes. Currently, we have a 25 percent
11 enhanced reimbursement rate in place for childcare providers.
12 Boards are using a portion of the 200 million supplemental CARES
13 Act distribution to support this. When we initially distributed
14 these funds, we did not take into account the use of funds for
15 this purpose, and our distribution methodology has not account
16 for the varying proportions of open versus closed providers in
17 each board area.

18 We're seeking your direction on
19 deobligating 100 million of 200 million supplemental
20 distribution, redistributing a portion of these funds based on
21 each boards' estimated need and that's based on the number of
22 open providers in that workforce area, as noted in Attachment 1,
23 and then distributing any additional funds based upon actual
24 need. We believe that this will help us better manage and
25 direct these funds based on the agencies policies for

1 supplemental payments and based on where programs reopen across
2 the state. And I'd be happy to answer any questions.

3 CHAIRMAN DANIEL: Are there any comments or
4 questions?

5 COMMISSIONER ALVAREZ: No, Chairman.

6 COMMISSIONER DEMERSON: No. I just think
7 [unintelligible] to work.

8 COMMISSIONER ALVAREZ: Yes.

9 CHAIRMAN DANIEL: I would--I just want to
10 ask one question. Maybe more but I'll start with one. So all
11 the actions we're taking today, all of the children who are in
12 daycare, via our program for essential workers, those--those
13 families will complete the 90 days that they were originally
14 told they would have, regardless of this action today?

15 REAGAN MILLER: Yes, sir.

16 CHAIRMAN DANIEL: Yeah. And so signups
17 will remain in place through tomorrow or the next day?

18 REAGAN MILLER: Through tomorrow. Through
19 close of business tomorrow.

20 CHAIRMAN DANIEL: Okay. And, I mean, I
21 think our research has indicted that the number of essential
22 workers that are out there, the vast majority have already
23 applied for this. There's not been a new category of essential
24 workers that have been declared recently.

25

1 REAGAN MILLER: Yes. We--and we have had
2 it available for a month and a half. We have seen those
3 enrollments taking place. And, again, this was intended to
4 really help meet that interim need when families were not
5 prepared for schools closing and likely could need assistance
6 covering additional costs for childcare during that time.

7 CHAIRMAN DANIEL: Yeah. Okay. Thank you.
8 You guys have been incredibly nimble on this. It's just been a
9 very rapidly changing environment. Government's not always
10 known for its nimbleness, and I--I sincerely appreciate the
11 efforts you and your team have put into to ensure that we're
12 keeping up with what's going on in the marketplace. People have
13 noticed that, I have noticed that, and really encourage you to
14 continue that level of nimbleness as we move into the future.

15 REAGAN MILLER: Thank you, Chairman.

16 CHAIRMAN DANIEL: Thank you for all your
17 efforts. Are there any further questions or comments?

18 COMMISSIONER DEMERSON: No, sir.

19 CHAIRMAN DANIEL: Do we have a motion on
20 this item?

21 COMMISSIONER ALVAREZ: Yes, Chairman, I
22 move that we close the acceptance of new applications for COVID-
23 19 essential worker childcare on Wednesday, May 20, 2020, and
24 reinstate the parent share of costs effective June 1 in
25 alignment with any modifications from the governor to open

1 childcare to non-essential parents. I further move that we
2 deobligate 100 million of the 200 million April distribution to
3 boards, as described in Attachment 1, and that we make
4 additional funds available to boards based upon actual need, as
5 discussed by staff.

6 COMMISSIONER DEMERSON: Second the motion.

7 CHAIRMAN DANIEL: It's been moved and
8 seconded. We're unanimous. Thank you.

9 REAGAN MILLER: Thank you, Mr. Chairman. I
10 also have one informational item that I'd like to let you know
11 about.

12 CHAIRMAN DANIEL: Yes.

13 REAGAN MILLER: We have been analyzing and
14 reviewing the current policy that waives the--the work require--
15 the three month period for childcare parents who lose their job
16 to look for work. We've also been reviewing the waiver of the
17 absence policy. In light of the reopening of the economy, we're
18 analyzing this to determine if we need to modify those policies,
19 particularly in light of any changes that may happen on the
20 unemployment insurance front, so we will be developing some
21 recommendations and presenting those to you on June the 2nd.

22 CHAIRMAN DANIEL: Thank you. Questions or
23 comments?

24 COMMISSIONER DEMERSON: Good work, Reagan.

25 REAGAN MILLER: Thank you.

1 CHAIRMAN DANIEL: Reagan, thank you.

2 MALE: We have an update from Clay.

3 CLAY COLE: Good morning, Chairman Daniel,
4 Commissioner Alvarez, Commissioner Demerson, Mr.

5 [unintelligible]. For the record, Clay Cole, Unemployment
6 Insurance Division. UI continues to add capacity in terms of
7 our phone system and staffing. UI continues to hire, emergency
8 hires, in our department because centers continue adding
9 resources. Our partner call center answered the most calls
10 yesterday to date. This is really helping TWC experienced staff
11 focus on highly skilled assignments and also to make more
12 outbound calls for--for highly need customers.

13 Finally, we plan to deploy our Genesis
14 Cloud IVR this week. This will provide a big boost for routing
15 customer messaging. We--we've been a little behind. We've hit
16 some system test snags, but this is really going to help us in
17 processing our calls and providing more messaging to customers
18 who are calling us and really reduce--eliminate almost all
19 busys.

20 Pandemic Unemployment Assistance Federal
21 Income Tax Group processing continues to accelerate with the new
22 batch of temporary staff on boarding yesterday. And UI
23 continues to work closely with Communication, IT, Finance, and
24 Operational Insights on messaging, outreach, and data analytic
25 for reducing and preventing unnecessary calls to our call

1 centers. And teams over the weekend identified some significant
2 groups of individuals with similar needs that we're performing
3 some data corrections on and outreach this week to really, we
4 think, we help reduce a lot of the inquiries we're getting
5 because we--either segments that we think [unintelligible], like
6 I said, we've identified ways that we can help along and really
7 just eliminate a lot of calls and inquiries to us.

8 We continue to actively work on plans as
9 businesses reopen in Texas. We'll be presenting a plan at the
10 next commission meeting on the job refusal work service, able
11 and available [unintelligible] we expect to really start coming
12 our way. Also, internal/external volunteers continue to be
13 trained and repurposed for improving our service delivery. TWC
14 trained hundreds of external volunteers last week, mainly from
15 TxDOT, and we have nearly 630 external volunteers that are
16 assisting us to date.

17 This con--concludes my update, and I'll be
18 happy to answer any questions you might have.

19 CHAIRMAN DANIEL: Questions or comments?

20 COMMISSIONER ALVAREZ: No, Chairman.

21 COMMISSIONER DEMERSON: None here. Thank
22 you.

23 CHAIRMAN DANIEL: Clay, I--is it--it would
24 seem to me, just in reading reports and listening to you talk,
25 that, I always call it continued claim, are our IBR systems

1 continue to perform as expected yet we continue to make
2 enhancements to those, as well, to accommodate folks who are now
3 in the system, initial claim filed, the ability for people to
4 call and request payment remains robust and is performing as
5 expected; is that correct?

6 CLAY COLE: Yes. Yeah, in terms of our
7 payment request system, we're at a good capacity there in terms
8 of--again, most of those people are being serviced over the
9 internet. We're, again, we have great capacity there. They can
10 request payment, but even our interactive voice response systems
11 are still doing a good job. And one thing we're doing, too, is,
12 again, we're [unintelligible] the payment request day, which is
13 Sunday, Monday, Tuesday, Wednesday, and then Thursday through
14 Saturday is the open dates. So we're seeing good results there.

15 We did--when I was talking earlier about a
16 segment of a group we identified, we didn't identify a--the
17 group that we identified is a group of people, for whatever
18 reason, they just haven't requested payment, and it's a
19 significant number. But we're not sure, you know, exactly why
20 because even a lot of these people are people that are the self-
21 employed that haven't been in our system, and that might be some
22 of it, just not be familiar with the system, but even when they-
23 -when enroll these people on the pandemic unemployment system,
24 we sent them emails, you know, advising them, please, now it's
25 time to request payment, but a lot of these people haven't

1 requested payment. And so, we're actually going to do this huge
2 outreach effort to all of those individuals advising them, you
3 know, please go request payment, this is how you do it, and this
4 is when you do it. So--

5 CHAIRMAN DANIEL: So you're providing
6 additional technical assistance for self-employed and other
7 contractors who may be new to the unemployment system?

8 CLAY COLE: Yes, sir, exactly.

9 CHAIRMAN DANIEL: Yeah. I understand from
10 reports that I've been provided that we're doing some outbound
11 calls. I assume all are along this--these lines of being very
12 proactive with our technical assistance, identifying trends
13 among groups of people who may not be where we would expect them
14 to be in the system, and that those efforts will continue.

15 CLAY COLE: Yes, sir. They will continue.
16 And some of that is part of the new Larry the Bot 2.0 to where
17 we're actually collecting some data and getting information that
18 points us to specific needs and assignments. And so, yes, we're
19 going to continue to use that data and other data, like you
20 said, trends we identify, to continue to outreach those people
21 to get them on the right path.

22 CHAIRMAN DANIEL: Well, I sincerely
23 appreciate your creativity and helping to address some of these
24 issues. You know, we continue to see some news reports of some
25 delays for folks and some things like that and I wish there was

1 a way for us to share all the different tools that we've
2 deployed to help identify ways that we can help people faster
3 and perhaps sometimes even better. And I know there's a lot of
4 things going on behind the scenes. I, for one, really
5 appreciate the efforts that you're doing. I think it would be
6 premature to say that our volumes of initial claims are going
7 down, they are down a little bit, but not enough for us to say
8 that there's a trend.

9 And so, we know that there's work still
10 ahead of us, but it would seem to me, based on everything that I
11 have been informed of that once that initial claim is filed and
12 perfected, the system is working as intended and on schedule.
13 And I know that's due to the work of you and your staff and I
14 really do appreciate the efforts that you're putting in here.

15 CLAY COLE: You're welcome.

16 CHAIRMAN DANIEL: Commissioners, other
17 comments--

18 CLAY COLE: Thank you.

19 CHAIRMAN DANIEL: --or questions for Clay?
20 None?

21 COMMISSIONER ALVAREZ: No.

22 CHAIRMAN DANIEL: Thank you, Clay.

23 COMMISSIONER DEMERSON: Mr. Chairman, I--

24 CLAY COLE: You're welcome.

25 CHAIRMAN DANIEL: Oh, sorry, one more.

1 COMMISSIONER DEMERSON: It's all right. I
2 wanted to defer to Commissioner Alvarez first, as always, but I
3 think there are a lot of folks that are new to this process and
4 wanted to kind of express, as you said, to almost over-
5 communicate in the sense of the availability of this new
6 technology that's out there that will allow them to move
7 forward. Really appreciate the work that the team's done, but
8 over-communicating and getting the word out so that folks can
9 properly file. Because it is new to a lot of individuals. It
10 makes sense for me.

11 COMMISSIONER ALVAREZ: Commissioner and
12 Chairman, if I may add to that. So, Clay, great reporting. You
13 know, great work that you and your staff are doing. I certainly
14 want to acknowledge that and, of course, those folks that are
15 answering the phones on a daily basis, and I literally mean
16 that, on a daily basis. All I ask is while you're going through
17 this process of return to work, we've had some interesting
18 conversations with various organizations, and we would like an
19 opportunity to provide you with some feedback that they're
20 providing to us. And, also, some of the things that my
21 attorneys have drafted up that I'd like to share with you, if
22 that's okay. If you could just--if you or someone from your
23 staff could visit with us at some point prior to the--your June
24 visit with us. So appreciate that--

25 CLAY COLE: Okay.

1 COMMISSIONER ALVAREZ: --and thank you.

2 CLAY COLE: I can do that. We can do that.

3 CHAIRMAN DANIEL: Clay, thank you so much.

4 CLAY COLE: You're welcome.

5 MALE: We have no other items, Mr.

6 Chairman.

7 CHAIRMAN DANIEL: All right. That
8 concludes everything on Agenda Item 11. Tom, do you have a
9 report for us today?

10 TOM McCarty: [Unintelligible].

11 CHAIRMAN DANIEL: All right.

12 TOM MCCARTY: Good morning, Mr. Chairman,
13 Commissioner Alvarez, Commissioner Demerson. Tom McCarty with
14 External Relations. Last Friday the U.S. House passed H.R.6800,
15 the Health and Economic Recovery Omnibus Emergency Solutions
16 Act, also called the HEROES Act. The bill includes 3 trillion
17 in stimulus, including relief to state and local governments
18 with direct cash payments, expanding the unemployment insurance
19 and food stamp funds. The bill includes the following
20 provisions related to TWC administered programs: extension of
21 federal pandemic unemployment compensation, as well as the
22 pandemic unemployment assistance, through January the 31st of
23 2021, extension of interest-free loans for state UI Trust Funds,
24 advances until June 30, 2021, 7 billion for childcare and
25 development block grant, and 2--just over 2 billion for

1 employment and training services. The U.S. Senate has not
2 announced a schedule for consideration of the bill at this time.
3 We will be monitoring that, though, and we'll notify you when we
4 know more.

5 We're also monitoring one federal hearing
6 this week. Tomorrow the U.S. House Education and Labor
7 subcommittee and Workforce Protections will hold a hearing at
8 10:15 a.m. titled "Examining the Federal Governments Actions to
9 Protect Workers from COVID_19." This concludes my remarks. I'm
10 available if you have any questions.

11 CHAIRMAN DANIEL: Any questions?

12 COMMISSIONER ALVAREZ: No, Chairman.

13 COMMISSIONER DEMERSON: No.

14 CHAIRMAN DANIEL: Thank you.

15 TOM MCCARTY: Thank you.

16 CHAIRMAN DANIEL: Mr. Serna?

17 ED SERNA: I have nothing under the
18 Executive Director's Board today.

19 CHAIRMAN DANIEL: Thank you. Is there any
20 other business come before the commission?

21 COMMISSIONER ALVAREZ: If I may, for the
22 record, I'd just like to acknowledge this Friday is the
23 Chairman's birthday. And so, just wanted everyone to wish him a
24 happy birthday. Don't know how comfortable he would feel if we
25 sang it to him today, but I wanted to acknowledge it, sir.

1 CHAIRMAN DANIEL: Open government requires
2 no singing of happy birthday to me.

3 COMMISSIONER ALVAREZ: Happy birthday to
4 you, Chairman.

5 CHAIRMAN DANIEL: Thank you very much. Any
6 other order of business to come before the commissioners?

7 COMMISSIONER DEMERSON: Sir, or is
8 Commissioner Alvarez done?

9 CHAIRMAN DANIEL: Yes.

10 COMMISSIONER ALVAREZ: Yes, I am.

11 COMMISSIONER DEMERSON: Okay, thank you.
12 Three quick things. I want to congratulate the 2020 graduates
13 that are out there and letting folks know that employers are
14 hiring and internships are available. And so, those graduates
15 that are coming out there, even in this time of layoffs and
16 furloughs, we have employment opportunities and want to
17 encourage those students to take advantage of that, as well.

18 Secondly, Bonnie Downs on my team has a--I
19 want to say congratulations. She brought Carson Fletcher into
20 the world yesterday.

21 COMMISSIONER ALVAREZ: Oh, wow.

22 COMMISSIONER DEMERSON: And so, 7:31 p.m.
23 so he's new to the world, and so Bonnie's gotten that done, as
24 well.

25

1 And then, lastly, I have a proud SMU
2 graduate, Steven Demerson. They're not listening to this at
3 all. They don't listen to what we do.

4 COMMISSIONER ALVAREZ: Not awake?

5 COMMISSIONER DEMERSON: No, not at all, but
6 class of 2020 and real proud of that moment.

7 COMMISSIONER ALVAREZ: Congratulations.

8 COMMISSIONER DEMERSON: A [unintelligible]
9 Mustang [unintelligible].

10 COMMISSIONER ALVAREZ: Congratulations.

11 CHAIRMAN DANIEL: Congratulations to all.

12 COMMISSIONER DEMERSON: Thank you, guys.

13 CHAIRMAN DANIEL: All right, anything else?
14 Do we have motion to adjourn?

15 COMMISSIONER ALVAREZ: I move that we
16 adjourn.

17 COMMISSIONER DEMERSON: Second.

18 CHAIRMAN DANIEL: It's been moved and
19 seconded, and we are adjourned.

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