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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, AUGUST 28, 2018

BE IT REMEMBERED THAT at 9:00 a.m. on
Wednesday, the 28th day of August, 2018, 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, and JULIAN
ALVAREZ Commissioner.

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P R O C E E D I N G S

TUESDAY, AUGUST 28, 2018

(9:00 a.m.)

AGENDA ITEM NO. 1

CHAIR HUGHS: Good morning, everyone. It's great to see all these smiling faces in the audience. This meeting will now be called to order.

AGENDA ITEM NO. 2

Les, is there any public comment?

MR. TROBMAN: No, there's not.

AGENDA ITEM NO. 3

CHAIR HUGHS: All right. Item 3, Discussion, Consideration and Possible Action Regarding the Report to the Governor and Legislative Leadership Offices Concerning the Estimated Unemployment Trust Fund Balance Pursuant to Texas Labor Code Section 204.061, and the Estimated Employment and Training Investment Holding Fund Balance Available for Transfer. Randy Townsend.

MR. TOWNSEND: Good morning, Chair Hughs, Commissioner Alvarez. For the record, Randy Townsend, Chief Financial Officer.

Commissioners, I am presenting to you an update to our unemployment trust fund, for a balance that would be ending September 30th.

The good news is that the transfer is

1 continuing in a positive way and I'll just go through and
2 review with you this morning the balance that we're
3 estimating.

4 The beginning balance of the trust fund
5 starting last year was just over 1.1-billion. We expect to
6 add 2.5-billion from employer collections on their
7 unemployment taxes. We also expect to deposit almost 30-
8 million in depository interest. We still have the remaining
9 amount that we transferred relating to the bonds that have
10 now been paid off of almost 60-million. And then we're
11 currently estimating we'll pay out for the year about \$2-
12 billion.

13 Taking all that into account, we estimate the
14 trust fund balance on September 30th, the first part of
15 October, will be one billion six hundred and fifty-eight
16 million. Based on that estimated balance and comparing it
17 to the floor amount, which is one percent of taxable wages,
18 we expect the trust fund balance to be 551-million above the
19 floor on October 1st.

20 I will also then review with you the
21 employment and training investment assessment, ETIA holding
22 fund. We accounted for last year the full amount of the
23 skills transfer out of this fund. We will make the
24 remaining half of that here in a couple of weeks to cover
25 our skills appropriation. We have set that aside already

1 for that purpose. That allowed us to have a beginning
2 balance of 60-million, we took that into account, we've
3 deposited another -- we'll deposit almost another 110, 111-
4 million for the year. After you take out the collection
5 expense, we expect that balance in the ETIA holding fund to
6 be 171-million at the end of this year. So that's good news
7 as well.

8 The -- let me just share with you some recent
9 trends for the -- for the trust fund. Our weekly benefit
10 payments were 39-million for the last six weeks. This is
11 information we had as of August the 11th. That was 17
12 percent below the one year ago average for weekly benefits
13 paid.

14 Initial claims were 7.6 percent below the
15 amount from a year ago, coming in at about 12,000 additional
16 claims for the last six weeks. That was down about a
17 thousand from a year ago.

18 And then finally on continued claims, we --
19 we were averaging about 121,000, 121,500, for the last six
20 weeks, and that's 16 below the one year ago average.

21 And Commissioners, that concludes my
22 presentation this morning. If you have any questions or
23 comments, I'd be glad to address those.

24 COMM. ALVAREZ: No questions, Chair.

25 CHAIR HUGHS: All right. Thank you for the

1 update, Randy.

2 AGENDA ITEM NO. 4

3 CHAIR HUGHS: And Item 4, Discussion,
4 Consideration and Possible Action Regarding Changes to
5 Program Year (PY) 2017/Fiscal Year (FY) 2018 Funding
6 Allocations to Local Workforce Development Areas for WIOA
7 Title I Adult and Youth. Randy.

8 MR. TOWNSEND: Good morning again, Madam
9 Chair Hughs and Commissioner Alvarez. Back in -- actually
10 May 21st, we received a training and employment guidance
11 letter 27-16, TEGL 27-16. It actually did a couple of
12 things. One, it restored the rescission that had been
13 reduced out of our Workforce Innovation Opportunity Act or
14 WIOA, Adult Youth and Dislocated Worker formula lines, and
15 this is from a year ago. This is program year '17 funding
16 that was included in that TEGL, so that was last July, not
17 this most recent July. So the funding was almost a year old
18 when we received the TEGL and of course, funds are good for
19 three years, ultimately.

20 What this -- part of this TEGL is pretty
21 ordinary, we see this a lot from time to time -- or see this
22 from time to time, where a rescission occurs after the
23 Commissioners have adopted an allocation. That's in fact
24 what happened. And then when the rescission -- when the
25 appropriation's adopted by Congress, restores part of that,

1 or all of that rescission, which did occur in this case.

2 And so typically when we handle that, we will
3 not go back after the fact and reduce awards allocation, we
4 will just -- we will cover that out of our statewide
5 activity funds. And that's what we had done for a part of
6 this.

7 What was different about this TEGL, and I'll
8 be -- and I must apologize, we've missed this part of it,
9 the Department of Labor actually restored part of funding,
10 they had kept aside a half a percent, and that got added
11 back into this allocation. We would not have known that of
12 course a year ago, but we did know that back in May, so the
13 part I guess we need to -- and we'll do a better job on
14 this, we should have been a little bit more timely getting
15 this -- this funding out to the boards.

16 Now, it doesn't add up to a whole lot of
17 money and there was additional funds for the program year
18 '18 funds in this case, but what we've put together for your
19 consideration this morning is on that half percent
20 restoration if you will of the funding, for the WIOA Adult
21 and the WIOA Youth, and the reason we're not bringing WIOA
22 Dislocated Worker into the mix, we're not proposing to, it's
23 certainly your decision, we had allocated more -- much more
24 than the minimum. You're only required to allocate 60
25 percent of the dislocated worker.

1 You typically -- commissioners typically
2 allocate 82, 83 percent of that. So you're well over the
3 minimum threshold. What caught us a little bit off guard on
4 this one is that we must maintain for Adult and Youth the 85
5 percent minimum. And so option one is that option that
6 would guarantee -- well, would ensure compliance with the
7 minimum allocation for the Adult and Youth portion of WIOA.

8 That would then -- if you were to go with
9 that option, that would make another 491,000 available to
10 the boards and there's got to be 28 contract amendments for
11 the Adult and 28 contract amendments for the Youth to
12 accomplish that; relatively small amounts for each board
13 area, but it does add up to almost 491,000.

14 That would also mean that almost 87,000 would
15 be added to our statewide balance, reserve balance,
16 commission reserve balance, for option one.

17 Just so you can see what the amounts is,
18 there's relatively small amounts, and that -- by the way,
19 option one is consistent with how we normally have for many
20 years does the allocations with this additional amount.

21 Option two would be look at the possibility
22 of just making full amount and not reserving anything for
23 statewide, still leaving the portion available for rapid
24 response which is in our dislocated worker, it makes that
25 \$87,000 difference on all this as looking at. And run that

1 option for your consideration to just see if there might be
2 some administrative ease in doing it that way.

3 After doing some additional research on that,
4 I don't think there is on the board's part or on TWC staff's
5 part, so I think in -- certainly, either option is fine. I
6 don't think there's one better than the other. A little bit
7 more money in 2 from the boards than number 1, but I think
8 just to ensure consistency, if you -- as far as staff
9 recommendation would go, I would recommend option 1 would be
10 probably to maintain consistency among the boards as far as
11 money allocation for WIOA Adult and Youth, but certainly,
12 there's nothing wrong if you decide you prefer to make the
13 full amount available to the boards on option 2.

14 There's -- again, there's not -- I don't
15 think there's a right or wrong answer. You're in compliance
16 with 1 and you'd be providing additional funds in option 2.
17 So, it -- I -- it's really your preferences as to the way
18 and how you want to do that.

19 If you have any other questions about that,
20 I'd be happy to address those.

21 CHAIR HUGHES: Well, I appreciate the time
22 staff's put in to evaluating those options and I -- I'm
23 certainly willing to support staff's recommendation, but
24 Commissioner Alvarez?

25 COMM. ALVAREZ: So Randy, your recommendation

1 is option 1 then?

2 MR. TOWNSEND: Yes, sir. And the reason I
3 was suggesting and there's really a close call on this, but
4 like I said, there's no right or wrong way. The reason
5 option 1 just -- it just maintains the consistency with how
6 for many years now we've allocated the funds.

7 This is an unusual situation when we have
8 additional funds added on top of an allocation a year later.
9 It's pretty -- in fact, I haven't seen it since the time
10 I've been here, so that's a first for me on this one on that
11 half percent restoration. It just doesn't typically happen
12 that I've seen. So that's -- that -- it's really just a
13 slight difference, honestly, in the approach.

14 COMM. ALVAREZ: Okay. Chair, if I could make
15 a motion, I move that we use option 1 to allocate Adult and
16 Youth funding for programs year 2017 fiscal year 2018 and
17 hold back the dislocated worker funding for statewide --
18 funding for statewide rapid response.

19 CHAIR HUGHS: All right. And I second the
20 option to go with option 1. Thank you.

21 MR. TOWNSEND: Thank you, Commissioners.

22 AGENDA ITEM NO. 5

23 CHAIR HUGHS: Okay. Item 5, Discussion,
24 Consideration and Possible Action Regarding Local Workforce
25 Development Area Performance Measures and Targets for Board

1 Contract Years 2018 and 2019. Adam Leonard.

2 MR. LEONARD: Good morning, Chair Hughs,
3 Commissioner Alvarez. Before you today I'm here to bring
4 you kind of the second group of three board targets. We did
5 childcare a few weeks ago for the boards. We have a third
6 set that will be coming up later that relates to the
7 statutorily mandated WIOA measures and here we've got a mix
8 of measures that we've been using historically with the
9 boards for the past several years.

10 We've got -- our measures that are WIOA based
11 but focused on all participants. We've got our Choices
12 Full-Work Rate, our numbers of employers receiving Workforce
13 assistance, and claimant reemployment within 10 weeks. What
14 I've briefed you on and what's in your notebook is in the --
15 that we're using the methodologies that we did last year,
16 but what we're looking at here is making a couple of
17 adjustments with regard to year '18. So specifically, we
18 looked at our Choices Full-Work Rate and what was happening
19 immediately following the Hurricane last year and in the
20 next several months, and we found that three boards we felt
21 were exten -- were hurricane-affected on this measure well
22 into the new program year that began October of last year,
23 and so we're proposing to make an adjustment on that as
24 outlined in the material in your notebook.

25 And otherwise, we've basically just been

1 updating numbers from where we've been looking over the last
2 year. We again, had to consider Hurricane impact on the 10-
3 week measure, not so much for the performance for the year
4 so much as when we were evaluating how to set targets for
5 '19, realizing that those -- those two months immediately
6 following the Hurricane created an unusual spike in claims
7 and people were returning to work. So including those in
8 would have really distorted the data and so, those are
9 basically kind of the process we followed and methodology
10 I'd like to ask for your permission to go ahead and apply.
11 If you have any questions?

12 CHAIR HUGHS: Thank you, Adam. I support the
13 staff recommendations regarding the target methodology in
14 the BCY-19 targets and the modifications to B-18 as
15 presented by staff. Is there a motion?

16 COMM. ALVAREZ: I'll second that.

17 CHAIR HUGHS: Oh, is there a motion?

18 COMM. ALVAREZ: Oh, I thought you wanted me
19 to do it, and I was like you just read my sentence.

20 CHAIR HUGHS: I was just saying I support it,
21 but --

22 COMM. ALVAREZ: You just read it.

23 CHAIR HUGHS: I need someone else to make a
24 motion.

25 COMM. ALVAREZ: Thank you. I love that.

1 CHAIR HUGHS: Just like I need to remember to
2 go on to the next item.

3 COMM. ALVAREZ: Ladies and gentlemen, this is
4 new to us. Wouldn't you agree, Chair Hughs is doing a great
5 job, though.

6 MR. LEONARD: Absolutely.

7 COMM. ALVAREZ: I motion that we approve
8 staff recommendation regarding target methodologies and
9 authorize staff to -- to apply these methodologies to set
10 board contracts 2019 targets for WIOA-based all participants
11 measures, Choices Full-Work Rate, number of employees
12 receiving Workforce assistance, and claimant reemployment
13 with 10 weeks, and to modify board contract year 2018
14 targets for Choices Full-Work Rate and number of employers
15 receiving Workforce assistance.

16 CHAIR HUGHS: And I second the motion. Thank
17 you, Adam.

18 MR. LEONARD: Thank you.

19 AGENDA ITEM NO. 6

20 CHAIR HUGHS: All right. Item 6, Discussion,
21 Consideration and Possible Action Regarding Approval of
22 Products Offered by Certified Community Rehabilitation
23 Programs Under the Purchasing from People with Disabilities
24 State-Use Program. Good morning, Kelvin.

25 MR. MOORE: Good morning, Chair Hughs,

1 Commissioner Alvarez, Mr. Temple. For the record, my name's
2 Kelvin Moore, program manager Purchasing From People With
3 Disabilities Program, Texas Workforce Commission.

4 Agenda Item 6 regards a listing of new and
5 revised products that are being offered by community
6 rehabilitation programs that are in the State-Use Works
7 Wonders Program.

8 There are two CRPs that are recommending six
9 new products, but products 1 and 2 are postponed pending
10 research by staff, and also there are five CRPs that are
11 recommending 32 new products for price revision.

12 Products 7, 8, 9, 10 and 11, are being
13 postponed pending -- they are also pending research by
14 staff.

15 Staff are recommending approval of all
16 remaining products. I'd be glad to answer any questions you
17 might have.

18 COMM. ALVAREZ: No questions, Chair.

19 CHAIR HUGHS: All right. Is there a motion?

20 COMM. ALVAREZ: I motion that we approve new
21 and revised product purchases -- purchasing from CRPs as
22 recommended by staff.

23 CHAIR HUGHS: And I second. Thank you.

24 AGENDA ITEM NO. 7

25 CHAIR HUGHS: Item 7, Discussion,

1 Consideration and Possible Action Regarding New
2 Certification and Recertification of Community
3 Rehabilitation Programs to Participate in the Purchasing
4 from People with Disabilities State-Use Program. Kelvin.

5 MR. MOORE: For the record again, my name is
6 Kelvin Moore, program manager Purchasing From People With
7 Disabilities Program at the Texas Workforce Commission.

8 Agenda Item 7 regards the certification --
9 regards the recertification of 11 rehabilitation programs --
10 rehabilitation programs or CRPs. Staff recommends approval
11 for the following community rehabilitation programs:

12 Bluebonnet Trails Community MHMR Center, Round Rock, Texas;
13 Junction Five-O-Five, Bryan, Texas; Pride Industries, Inc.,
14 El Paso, Texas; RGR Industries, Inc., Weslaco, Texas;
15 Goodwill Industries of Abilene in Abilene, Texas; Aldersgate
16 Enrichment Center, Brownwood, Texas; Goodwill Industries of
17 Fort Worth, Fort Worth, Texas; Growing New Generations,
18 Arlington, Texas; Link Labor and Construction, Houston,
19 Texas; St. Dominic of Silos Rehabilitation Service d/b/a
20 Pest Control, in Seguin, Texas; and Woodcreek Outreach
21 Rehabilitation Development, in Glidden, Texas.

22 All CRPs are paying above minimum wage on
23 State-Use contract. I'll be glad to answer any questions
24 you may have.

25 COMM. ALVAREZ: No questions.

1 CHAIR HUGHS: Is there a motion?

2 COMM. ALVAREZ: Motion to approve as
3 recommended by staff the recertification of the Community
4 Rehabilitation Programs who are participating in the State-
5 Use Works Wonders Program.

6 CHAIR HUGHS: I second. Thank you, Kelvin.

7 MR. MOORE: Yes.

8 AGENDA ITEM NO. 8

9 CHAIR HUGHS: All right. Item 8, Discussion,
10 Consideration and Possible Action Regarding Approval of
11 Services Offered by Certified Community Rehabilitation
12 Programs Under the Purchasing from People with Disabilities
13 State-Use Program. Howard.

14 MR. JOSEPH: Good morning, Chair Hughs,
15 Commissioner Alvarez, Mr. Temple. For the record, my name
16 is Howard Joseph, program manager, Purchasing From People
17 With Disabilities Program. I have before you Agenda Item 8
18 for the approval of services. In regards to services, there
19 are 16 contracts completed under temporary authority
20 employing 48 individuals being paid above minimum wage.

21 There are 126 new and renewal contracts
22 employing 362 individuals being paid at or above minimum
23 wage.

24 There are 16 transferred contracts employing
25 32 individuals, all are paid above minimum wage.

1 In addition to the above services, we are
2 asking for approval of a price revision for document
3 destruction services by six CRPs that are approved to
4 provide this service through a contract with the Texas
5 Controller's Office. All individuals involved in this
6 contract are paid at or above minimum wage. With the
7 exception of the shipping service for packages weighing 150
8 pounds or less, staff recommends approval of all service
9 contracts, including the price revision for document
10 destruction services provided by the six CRPs. Concerning
11 the 150 pounds and less shipping service proposal, staff
12 recommends postponing action until a future commission
13 meeting to allow us time to work with the CRP.

14 I will be happy to answer any questions.

15 COMM. ALVAREZ: No questions. I motion that
16 we move -- that we approve service contracts offered by CRPs
17 under the Purchasing From People With Disabilities Program
18 as recommended by staff, approve revising the price of
19 document destruction as recommended by staff, and the
20 postponement of item number -- of the item listed by staff
21 to package delivery under 150 pounds.

22 CHAIR HUGHS: All right. And I second.
23 Thank you, Howard.

24 AGENDA ITEM NO. 9

25 CHAIR HUGHS: Item 9, Discussion,

1 Consideration and Possible Action Regarding Approval of
2 Price Revisions on Temporary Employment Staffing Services
3 Offered by Community Rehabilitation Programs Under the
4 Purchasing from People with Disabilities State-Use Program.

5 MR. SERNA: That's a mouthful. Good morning,
6 Chair Hughs, Commissioner Alvarez, Mr. Temple. For the
7 record, my name is Ed Serna and I'm the Deputy Executive
8 Director for the Texas Workforce Commission.

9 Agenda Item 9 regards price increase for
10 temporary staffing services provided by Community
11 Rehabilitation Programs in the Purchasing From People With
12 Disabilities program. The central non-profit TIBH working
13 with the CRPs, completed a detailed pricing study across the
14 state for all positions offered under temporary service
15 contracts to state agencies. As part of the study, they
16 used the state auditor's classification schedule for state
17 employee pay for similar positions and levels of expertise,
18 and TWC's public data on 2017 third quarter wages for state
19 employees across the state.

20 These proposed changes reflect increases that
21 align compensation with comparable salaries for positions in
22 various regions of the state and are in line with the rates
23 of other temporary service providers. The requested
24 increases are based on position classification and level of
25 expertise and range from zero to 64 percent.

1 It should be noted that the study also shows
2 a significant decrease in rates in one area of the state,
3 decrease of roughly 19 to 22 percent.

4 In addition, TIBH's analysis -- in addition
5 to TIBH's analysis, the proposed changes were reviewed by
6 the Controller's Statewide Procurement Division. Statewide
7 Procurement Division found the methodology used to be
8 reasonable and noted that the study reached its goal of
9 updating the pricing to reflect current market rates across
10 the state. SPD also noted that because some of the
11 increases in some areas of the state are significant, that
12 they should be implemented in a staggered manner over two to
13 three years.

14 Based on our review of the proposed rate
15 changes and SPD's analysis of the methodology, staff is
16 recommending approval of all proposed price changes with a
17 maximum increase not to exceed 15 percent. For larger
18 requested increases, the difference in any requested amount
19 above 15 percent, will be reevaluated by staff and presented
20 to the Commission for consideration in the third quarter of
21 fiscal year 2019.

22 I'd be glad to answer any questions you may
23 have.

24 CHAIR HUGHS: Thank you, Ed. I'm glad to see
25 it's going to be implemented in a staggered manner due to

1 the increase in prices. Commissioner Alvarez, do you have
2 any questions?

3 COMM. ALVAREZ: No questions.

4 CHAIR HUGHS: All right. Is there a motion?

5 COMM. ALVAREZ: I move that we approve price
6 revisions on temporary employment staffing services offered
7 by Community Rehabilitation Programs as recommended by
8 staff.

9 CHAIR HUGHS: And I second.

10 MR. SERNA: Thank you.

11 CHAIR HUGHS: Thank you.

12 AGENDA ITEM NO. 10

13 CHAIR HUGHS: Item 10, Discussion,
14 Consideration and Possible Action Regarding Approval of the
15 Central Nonprofit Agency's Management fees for the
16 Purchasing from People with Disabilities State-Use Program
17 in Accordance with the Texas Human Resources Code Section
18 122.030. Mr. Serna.

19 MR. SERNA: Again, for the record, my name's
20 Ed Serna and I'm the Deputy Executive Director Texas
21 Workforce Commission.

22 Agenda Item 10 regards the management fee
23 charged by the Purchasing From People With Disabilities
24 Central Nonprofit Agency TIBH industries.

25 TWC contracts with a Central Nonprofit Agency

1 to assist with the management and operation of the State-Use
2 Program. The CNA is responsible for recruiting CRPs to
3 participate in the program and assisting them as needed. It
4 is also responsible for day-to-day management of the
5 program, including assisting the participating CRPs with
6 marketing, pricing, delivery, billing and collections, and
7 customer relations. All sales of products and services are
8 processed, billed and collected by the CNA, thus making use
9 of the program simple for state agencies and participating
10 CRPs.

11 Though under contract to TWC, TIBH is not
12 paid by TWC or allocated general revenue funds by the state.
13 Instead, the contract is paid -- instead the contract is
14 paid for by the Commission fee it charges CRPs on the sales
15 of products and services. This fee is reviewed and set by
16 TWC annually. In addition to funding TIBH's operations, the
17 funds collected are used to support the CRPs by providing
18 them with payment for goods and services sold within 15-days
19 of billing, regardless of when payment is made by the
20 customers. They also provide training and other operational
21 assistance to the CRPs.

22 A new requirement of the Central Nonprofit is
23 to assist the CRPs in developing and providing professional
24 development for the employees with disabilities working in
25 the program. Based on our analysis of the -- of the

1 requirements of the program, staff is recommending
2 maintaining the current fee structure of six percent on
3 product sales, six percent on services, and five percent on
4 temporary personnel services.

5 And I'll be glad to answer any questions you
6 may have.

7 COMM. ALVAREZ: No questions.

8 CHAIR HUGHS: Is there a motion?

9 COMM. ALVAREZ: Yes. I move that we approve
10 the Central Nonprofit Agency's management fee for the
11 Purchasing From People With Disabilities State-Use Program
12 at six percent on product sales, six percent on services,
13 and five percent on temporary personnel services.

14 CHAIR HUGHS: I second the motion. Thank
15 you.

16 MR. SERNA: Thank you.

17 AGENDA ITEM NO. 11

18 CHAIR HUGHS: Agenda Item 11, Discussion,
19 Consideration and Possible Action Regarding Trade Adjustment
20 Assistance Funding Distributions for Board Contract Year
21 2019. Good morning, Jason.

22 MR. VADEN: Good morning, Commissioners. For
23 the record, Jason Vaden, Workforce Division.

24 Commissioners, for your consideration this
25 morning are the board contract year 2019 Trade Adjustment

1 Assistance or TAA funding distributions. 40 Texas
2 Administrative Code 800.66 requires the Commission to
3 approve TAA funds on an annual basis, using an initial
4 funding amount for each workforce area, and taking into
5 consideration other factors for the distribution of
6 additional funds.

7 This morning, staff seeks direction on
8 establishing an initial approved amount of TAA funding for
9 each workforce area, basing determinations for additional
10 training funds on an estimate of the total training costs
11 projected to be expended in the current contract year as
12 reflected in your materials.

13 And finally, authorizing staff to monitor
14 expenditures and to coordinate with boards to estimate any
15 need for additional training funds.

16 Commissioners, this concludes my remarks and
17 I'm happy to answer questions if you have any.

18 CHAIR HUGHS: Thank you. Commissioner
19 Alvarez?

20 COMM. ALVAREZ: I move that we approve the
21 board contract year 2019 contracts for Trade Adjustment
22 Assistance funding as recommended by staff.

23 CHAIR HUGHS: And I second. Thank you.

24 AGENDA ITEM NO. 12

25 CHAIR HUGHS: Item 12, Discussion,

1 Consideration and Possible Action Regarding Submission of
2 the 2018 Report on the Transition from Military Service to
3 Employment to the Texas Legislature Pursuant to Texas Labor
4 Code Section 302.020.

5 MR. VADEN: Again for the record, Jason
6 Vaden, Workforce Division. House Bill 257 passed by the
7 85th Texas Legislature amended the Texas Labor Code
8 requiring the Commission to report annually on the
9 transition from military service to employment for exiting
10 service members. The report identifies the five most common
11 military occupational specialties of service members who are
12 transitioning, as well as the five occupations that best
13 offer transferable skills and any industry-based
14 certifications that align. The report also speaks to the
15 Commission's commitment to serving veterans, its work with
16 community partners, the Texans Veterans Leadership Program,
17 Operation Welcome Home, and the College Credit For Heroes
18 Program.

19 This morning staff seeks your direction on
20 the approval of the 2018 report on the transition from
21 military service to employment. With your approval, the
22 report will be submitted to the Governor, Lieutenant
23 Governor, Speaker of the House, and chairs of legislative
24 committees with appropriate jurisdiction.

25 Commissioners, this concludes my remarks and

1 I'm happy to answer any questions you may have.

2 CHAIR HUGHS: Commissioner Alvarez?

3 COMM. ALVAREZ: No questions. I move that we
4 approve and submit the 2018 report on the Transition from
5 Military Service to Employment as recommended by staff.

6 CHAIR HUGHS: And I second. Thank you,
7 Jason.

8 AGENDA ITEM NO. 14

9 CHAIR HUGHS: Item 14, Discussion,
10 Consideration and Possible Action Regarding guidance on
11 Resource Utilization and Implementation of Services and
12 Strategies, Including Those Funded with the Department of
13 Labor's Disaster Dislocated Worker Grant, Response to
14 Hurricane Harvey. Good morning.

15 MS. TROKE: Good morning, Chair Hughs,
16 Commissioner Alvarez and Mr. Temple. For the record, Jen
17 Troke, Workforce Division.

18 Today I seek your approval on additional
19 Hurricane Harvey Dislocated Worker Grant funding for the
20 Coastal Bend Workforce Development Board. As of August 13,
21 2018, Coastal Bend has expended 82 percent of its \$2,633,000
22 in Dislocated Worker Grant funds. Additional funds are
23 needed so that the board can continue to provide disaster
24 relief and rebuilding, including the purchase of a mobile
25 unit.

1 Staff seeks direction on approving an
2 additional 2-million in funding for Coastal Bend to continue
3 implementing disclosed worker grant funded strategies.

4 Thank you. Any questions?

5 CHAIR HUGHS: Commissioner Alvarez?

6 COMM. ALVAREZ: No questions, Chairman. I
7 move that we approve the award of an additional 2-million in
8 funding for Coastal Bend to continue implementing disaster
9 dislocated worker grant funded strategies.

10 CHAIR HUGHS: And I second the motion. Thank
11 you.

12 AGENDA ITEM NO. 15

13 CHAIR HUGHS: Item 15, Discussion,
14 Consideration and Possible Action Regarding Approval of
15 Local Workforce Development Board Nominees. Courtney, good
16 morning.

17 MS. ARBOUR: Good morning, Chair Hughs,
18 Commissioner Alvarez, Mr. Temple, Courtney Arbour, Workforce
19 Division. Today before you we have supporting documentation
20 for board membership for Middle Rio Grande and Rural Capital
21 Area Boards. We'd ask for your consideration and approval
22 today on those.

23 CHAIR HUGHS: Commissioner Alvarez?

24 COMM. ALVAREZ: I move that we approve the
25 board nominees for Middle Rio Grande and Rural Capital Area.

1 CHAIR HUGHS: I was wondering if you were
2 going to continue the tradition of reiterating the names of
3 each one, and I know that they were very grateful that we
4 are taking action on this today, and so with that, I
5 certainly second that motion. Thank you, Courtney.

6 MS. ARBOUR: Thank you.

7 AGENDA ITEM NO. 16

8 CHAIR HUGHS: Item 16, Discussion,
9 Consideration and Possible Action Regarding Enacted,
10 Proposed or Considered Federal Regulations, Executive
11 Orders, or Federal or State Enacted or Proposed Legislation.
12 Are there any updates? Hi, Michael.

13 MR. BRITT: Good morning Chair Hughs,
14 Commissioner Alvarez. For the record, Michael Britt,
15 Government Relations.

16 Last Thursday, the U.S. Senate passed HR
17 6157. This measure included fiscal year 2019 Labor, Health
18 and Human Services and Education funding -- excuse me --
19 language from -- that had originally been included in S
20 3158, as well as included funding for the Department of
21 Defense. This mini-bus as it's being referred to, will now
22 go to the U.S. House for consideration.

23 As you know, the U.S. House Appropriations
24 Committee approved their Labor, HHS and Education funding
25 bill, which was HR 6470 back on July 11th, however, that

1 bill has not made it to the House floor for consideration.
2 Current Government funding is set to expire on September
3 30th of this year.

4 Regarding the Texas Legislature, the Senate
5 Committee on Veteran Affairs and Border Security, has
6 requested that TWC testify at their hearing Wednesday
7 morning at 9:00 a.m. regarding the implementation of SB 389
8 by Senator Rodriguez from the 84th Texas Legislature. That
9 bill requires that military occupational specialty codes be
10 included on state agency employment listings. Bob Gear will
11 be testifying at the hearing on behalf of TWC.

12 Also this Friday, TWC will have its Joint
13 Budget hearing with the Office of the Governor and the
14 Legislative Budget Board and that hearing will begin at
15 11:00 a.m.

16 This concludes my remarks and I will be happy
17 to answer any questions.

18 CHAIR HUGHS: Any questions?

19 COMM. ALVAREZ: No questions, Commissioner.

20 CHAIR HUGHS: Thank you, Michael.

21 MR. BRITT: Thank you.

22 AGENDA ITEM NO. 17

23 CHAIR HUGHS: All right. Larry, report and
24 update by the Executive Director and staff regarding
25 administrative matters including internal policies and

1 procedures, customer and board services issues, status of
2 current or protentional project assignments, organization
3 matters, and responsibilities of the agency's divisions. Do
4 we have any updates, Larry?

5 MR. TEMPLE: Just a small update. Today will
6 be LaSha Lenzy, LaSha, and Lisa Richardson, Lisa, their last
7 Commission meeting. They are retiring.

8 CHAIR HUGHS: And I understand it has nothing
9 to do with my new assignment as Chair.

10 (Laughter)

11 CHAIR HUGHS: But I'm no less devastated.
12 Could they please stand and could we please give them a
13 round of applause for their career --

14 (Applause)

15 CHAIR HUGHS: You have both been truly
16 amazing.

17 MR. TEMPLE: They will be known throughout
18 the rest of the month as quitters.

19 (Laughter)

20 CHAIR HUGHS: Okay.

21 MR. TEMPLE: And that's all I have.

22 CHAIR HUGHS: Thank you, Larry. Commissioner
23 Alvarez?

24 COMM. ALVAREZ: I just wanted to take this
25 opportunity to thank LaSha for all the great work you've

1 done. LaSha and the folks that you have working out there
2 rapid response team speak very highly of you and -- and they
3 love you and as we do. And Lisa, you've brought the Agency
4 up to the next level. I mean, it's hard to compete with our
5 Agency as -- as far as the IT field is concerned. Your team
6 has displayed multiple awards and we thank you and your
7 leadership for doing that. But we know we're going to leave
8 this department in good hands. And so we congratulate both
9 of you and we look forward to hearing some great things from
10 you in the future. So thank you for all you've done.

11 CHAIR HUGHS: I second that as well.

12 AGENDA ITEM NO. 20

13 CHAIR HUGHS: So, is there a motion to
14 adjourn?

15 COMM. ALVAREZ: I'll second that, but before
16 I do that, I just wanted --

17 CHAIR HUGHS: I need you to make the motion.

18 COMM. ALVAREZ: Oh, okay. But --

19 (Laughter)

20 COMM. ALVAREZ: -- before I do that, before I
21 do that, I just want to take this opportunity to say it's a
22 little different to have Chair Hughs next to me, but I'm
23 certainly enjoying it. And Chairman, you did a really good
24 job today and I'm looking forward to many more years of
25 working with you. And so with that, I motion that we

1 adjourn this meeting.

2 CHAIR HUGHS: And thank you, Commissioner
3 Alvarez. You know I feel the same way. I think we have a
4 great team and we both know that every team is as good as
5 the team members in it, so we're very grateful to each and
6 every one of you for your contributions to the Agency and
7 we're excited about where we're going to continue to go.
8 And I second the motion to adjourn and this will just get
9 smoother week after week. Thanks.

10 COMM. ALVAREZ: Thank you.

11 (Proceedings concluded at 9:33:43 a.m.)

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C E R T I F I C A T E

STATE OF TEXAS)

COUNTY OF TRAVIS)

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 31st day of August, 2018.

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

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