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8
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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, JANUARY 29, 2019

BE IT REMEMBERED THAT at 8:30 a.m. on
Tuesday, the 29th day of January, 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, JANUARY 29, 2019

AGENDA ITEM NO. 1 3
CALL TO ACTION

AGENDA ITEM NO. 2 3
LES TROBMAN

AGENDA ITEM NO. 3 3
SHERRI MILLER

AGENDA ITEM NO. 4 3
JENNIFER TURNER

AGENDA ITEM NO. 5 4
JENNIFER TURNER

AGENDA ITEM NO. 6 4
SHERRI MILLER

AGENDA ITEM NO. 7 4
SHERRI MILLER

AGENDA ITEM NO. 8 4
TRAVIS WEAVER & JENNIFER TROKE

AGENDA ITEM NO. 10 5
REED O'BRIEN & FABIANA RAMIREZ

AGENDA ITEM NO. 11 10
FABIANA RAMIREZ & KERRY BALLAST

AGENDA ITEM NO. 15 15
TOM McCARTY

AGENDA ITEM NO. 16 16
ED SERNA

AGENDA ITEM NO. 17 16
ADJOURNMENT

REPORTER'S CERTIFICATE 17

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
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18
19
20
21
22
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24
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P R O C E E D I N G S

TUESDAY, JANUARY 29, 2019

(8:30 a.m.)

AGENDA ITEM NO. 1

CHAIR HUGHS: Good morning. This meeting is called to order.

AGENDA ITEM NO. 2

CHAIR HUGHS: Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: No.

CHAIR HUGHS: All right. Thank you. I now turn the meeting over to Commissioner Thomas to preside over Agenda Items 3 through 7.

AGENDA ITEM NO. 3

Discussion, Consideration and Possible Action Regarding Whether to Assume Continuing Jurisdiction on Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases and Reconsideration of Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases, if Any.

No Discussion.

AGENDA ITEM NO. 4

Discussion, Consideration and Possible Action Regarding Tax Liability Cases Listed on the Texas Workforce Commission Docket 5.

1 The Commission considered and took action on
2 all tax liability cases listed on Docket 5.

3 AGENDA ITEM NO. 5

4 Discussion, Consideration and Possible Action
5 Regarding Fair Housing Cases listed on the Texas Workforce
6 Commission Docket 5.

7 No Discussion.

8 AGENDA ITEM NO. 6

9 Discussion, Consideration and Possible Action
10 Regarding Higher Level Appeals in Wage Claim Cases Listed on
11 the Texas Workforce Commission Docket 5.

12 The Commission considered and took action on
13 all wage claim cases listed on Docket 5.

14 AGENDA ITEM NO. 7

15 Discussion, Consideration and Possible Action
16 Regarding Higher Level Appeals in Unemployment Compensation
17 Cases Listed on the Texas Workforce Commission Docket 5.

18 The Commission considered and took action on
19 all unemployment compensation cases listed on Docket 5.

20 AGENDA ITEM NO. 8

21 CHAIR HUGHS: All right. We are now back in
22 session. Item 8, Discussion, Consideration and Possible
23 Action Regarding the Acceptance of Pledges for Board
24 Contract Year 2019 Child Care Matching Funds.

25 MS. TROKE: Good morning Chair Hughs,

1 Commissioners and Mr. Serna. For the record, Jen Troke,
2 Workforce Development Division.

3 Annually, local Workforce Development boards
4 submit local match pledges to secure federal child care
5 funds pursuant to the Commission Rule 800.73. Today staff
6 requests Commission acceptance of child care pledges for
7 donations, transfers and certifications of expenses in the
8 amount of \$3,203,973.

9 CHAIR HUGHS: Thank you. Are there any
10 comments or questions on this item, Commissioners?

11 COMM. THOMAS: No.

12 CHAIR HUGHS: All right. Do we have a vote
13 or a motion?

14 COMM. ALVAREZ: I move that we accept child
15 care match in the amount of \$3,203,973 for board contract
16 year 2019.

17 COMM. THOMAS: Second.

18 CHAIR HUGHS: All right. We are unanimous.
19 Thank you, Jennifer.

20 AGENDA ITEM NO. 9

21 CHAIR HUGHS: There is nothing for Item 9.

22 AGENDA ITEM NO. 10

23 CHAIR HUGHS: Item 10, Discussion,
24 Consideration and Possible Action Regarding Workforce Awards
25 Categories and Monetary Amounts for 2019 and Subsequent

1 Years.

2 Good morning.

3 MR. O'BRIEN: Good morning Chair Hughs,
4 Commissioners, Mr. Serna. For the record, my name is Reed
5 O'Brien, Workforce Program Policy. I am here today as co-
6 chair of the Workforce Conference Awards Committee.

7 Texas Workforce Commission Rules under Title
8 40, Chapter 802 of the Texas Administrative Code allow the
9 Commission to establish monetary and non-monetary awards to
10 encourage and highlight the local workforce development
11 boards -- to highlight the work of the local workforce
12 development boards, adult education and literacy grantees,
13 vocational rehabilitation services, employers, community
14 colleges, and other Workforce partners.

15 These awards are presented annually at the
16 Texas Workforce Conference. Staff has reviewed the awards
17 that were presented in 2017 and 2018 and has identified
18 opportunities to make changes that reflect current Workforce
19 system goals.

20 Additionally, staff has identified two awards
21 that are no longer presented at the conference, but were
22 inadvertently included in the 2019 awards budget. Also, TWC
23 Rules allow the Commission to group boards and
24 classifications for comparison purposes such as for awarding
25 incentives. For performance awards boards are grouped into

1 quartiles according to each board's total allocation amount.

2 Finally, TWC rules allow the Commission to
3 modify eligibility for and assignment of awards based on
4 factors that the Commission identifies as extraordinary
5 circumstances.

6 Staff seeks direction on the following: The
7 changes to awards categories as outlined in your briefing
8 materials, the removal from the 2019 Awards Budget of two
9 awards that are no longer presented at the conference, the
10 issuance of the board performance incentive awards each year
11 by quartile according to the Board's total allocation for
12 the corresponding Board contract year, and the process for
13 applying extraordinary circumstances as outlined in your
14 briefing materials.

15 Thank you, and I'll be happy to answer any
16 questions.

17 CHAIR HUGHS: Thank you. Commissioner
18 Thomas, do you have any comments or questions? Commissioner
19 Alvarez?

20 COMM. ALVAREZ: I do. Mr. O'Brien, I was
21 just noticing after looking at this, do we have any
22 incentives for Workforce boards that provide some type of
23 exposure to apprenticeship programs? I mean, that seems to
24 be growing. South Texas has something, Rural Capital --
25 Capital Area, Gulf Coast all have apprenticeship programs.

1 Have we thought about establishing some type of an award for
2 those participants?

3 MR. O'BRIEN: No, Commissioner, we have not.

4 COMM. ALVAREZ: Would we be open to that?

5 MR. O'BRIEN: Absolutely.

6 CHAIR HUGHS: Is that some -- what would be
7 the process in terms of if we create a new award, how much
8 time does staff need to put that together? And is that
9 something we could consider for this annual conference, or
10 would we need to plan ahead for the following? And if you
11 need more time to brief our offices on it, maybe we can give
12 you that opportunity.

13 MR. O'BRIEN: I think we can brief, and
14 decide and leave that open to see how quickly we can achieve
15 that. Yes.

16 CHAIR HUGHS: Okay. Well, I think that we
17 are unanimous in terms of the request to look into that
18 feasibility and whether we could move forward with an award
19 like that. But with that request is there a motion on what
20 we have before us?

21 COMM. ALVAREZ: Well, I certainly would like
22 to be briefed on that. I'm not sure if we'd like to table.
23 Is this a ten -- a time-sensitive issue that we need to take
24 home today?

25 MR. O'BRIEN: The -- we will open -- we will

1 issue our call for nominations to our workforce boards and
2 AEL grantees in April, and the deadline to turn those around
3 and submit the entrees will be in early July. So there is
4 some time pressure here, but I think we could certainly
5 evaluate this and see what criteria we're looking for to try
6 to incorporate into this award and see if it is something
7 that we could realistically accomplish for this year to
8 present in November.

9 COMM. THOMAS: So I have a motion in that
10 regard, then. I move that the staff be instructed to
11 proceed to evaluate the appropriateness and the opportunity
12 to include apprenticeship awards in this -- preparing for
13 next -- the next convention, and if not, just letting us
14 know that.

15 CHAIR HUGHS: Okay. Is there a motion on the
16 current request in terms of the discussion paper?

17 COMM. THOMAS: NO. I was just making that to
18 get that clear, so we can then move to...

19 CHAIR HUGHS: Okay. Okay. All right, well
20 we'll second that motion.

21 COMM. ALVAREZ: Yeah.

22 CHAIR HUGHS: And we're unanimous on that
23 request. Is there a motion on the current discussion paper
24 before us?

25 COMM. THOMAS: Move to accept staff

1 recommendations on all four decision points.

2 COMM. ALVAREZ: I'll second that.

3 CHAIR HUGHS: All right. We are unanimous.

4 Thank you.

5 MR. O'BRIEN: Okay. Thank you.

6 CHAIR HUGHS: Look forward to hearing on the
7 briefing and with respect to the apprenticeship awards and
8 if we need to make any other further votes please bring it
9 back before us.

10 MR. O'BRIEN: Okay, will do. Thank you,
11 Chair Hughs.

12 AGENDA ITEM NO. 11

13 CHAIR HUGHS: All right. There's nothing on
14 Items 12, 13 and 14. Skip an item? I'm sorry, Item 11 is
15 the next one up.

16 Item 11, Discussion, Consideration and
17 Possible Action Regarding Supplemental Allocation of
18 Recaptured Adult Educational and Literacy Funds Program
19 Years 2017 and Supplemental Targets for Program Year 2018.
20 Good morning.

21 MS. RAMIREZ: Good morning Chair Hughs,
22 Commissioner Alvarez, Commissioner Thomas, and Mr. Serna.
23 For the record, Fabiana Ramirez with Adult Education and
24 Literacy.

25 On June 30, 2018 AEL contracts for program

1 years 2014 to 2017 closed with a recaptured balance left of
2 nearly 6.1-million coming from Adult Education and Family
3 Literacy, or AEFLA funds and EL/Civics funds. In addition
4 to these federal funds, a portion of federal state
5 leadership funds for professional development were
6 recaptured. Recaptured funds from these -- those contracts
7 are now available for supplemental and distribution to
8 current AEL grantees as shown in attachments 1 and 2 of your
9 packets.

10 In July 2018 new state wood -- statewide AEL
11 contracts began, and AEL grantees negotiated the performance
12 targets for these contracts which were approved by the
13 Commission in September 2018. To maintain enrollment growth
14 documented in TWC's Legislative Appropriation Request for
15 participants served for Fiscal Year 2019, staff factored in
16 supplemental targets using an estimated redistribution of
17 unspent funds from 2017 closed contracts.

18 Staff has applied the cost assumptions that
19 were used in negotiating the targets originally approved by
20 the Commission and determined that nearly 4.6-million of the
21 recaptured funds must be assigned as supplemental targets to
22 meet Fiscal Year 2019 LER Enrollment Assumptions. These
23 proposed supplemental and final targets are in attachments
24 three and four of your notebook materials.

25 At this time staff seek direction on three

1 distributions, which are: Distribute \$4,632,186 of the
2 available recaptured funds to grantees with targets as
3 described under Issue 2 of the discussion paper. Two,
4 distribute the remaining \$1,443,543 to grantees for capacity
5 building activities related to implementation of new tests
6 or other activities approved by TWC. And three, distribute
7 recaptured state leadership funds for professional
8 development based on \$5000 base amount per grantee and
9 allocate the balance using the PY18 allocation method.

10 Thank you for your consideration, and I'm
11 happy to answer any questions.

12 CHAIR HUGHS: Are there any questions on
13 Issue 1 in the discussion paper, commissioners?

14 COMM. THOMAS: No.

15 COMM. ALVAREZ: No.

16 CHAIR HUGHS: All right, thank you. Please
17 proceed.

18 MS. RAMIREZ: Thank you. And at this time
19 staff seek guidance and consideration for approval in
20 distributing the -- distributing funds in three ways
21 described earlier and outlined in Issue 1 and Issue 2 of the
22 discussion paper.

23 COMM. THOMAS: So you've already outlined
24 both of the issues in which you seek direction.

25 CHAIR HUGHS: No, just the first. What we're

1 thinking is we're going to take this item up as one, so if
2 you could please also update us on Issue 2 in the discussion
3 paper, and we'll take one vote at the end if they're aren't
4 any deviations from the recommendation.

5 MS. RAMIREZ: Yes. For point 2 staff seeks
6 direction on assigning Program Year 2018 supplemental and
7 final targets to AEL grantees for -- in funding amounts
8 \$4,632,186. And those supplemental and final targets are
9 outlined in attachments 3 and 4 of your notebook materials.

10 COMM. THOMAS: I'm sorry. Did you not say
11 that earlier?

12 CHAIR HUGHS: No. There's two different
13 issues.

14 COMM. THOMAS: No, NO. I'm asking her. Did
15 you not -- I'm just truly trying' to understand. I thought
16 you'd mentioned attachment 3 and 4 earlier. Did you not? I
17 may have completely misunderstood when I was looking ahead.

18 MS. RAMIREZ: Yes. I did.

19 COMM. THOMAS: Okay, I thought so. Okay.
20 Thank you. I just was confused. All right. Yeah. Please,
21 Courtney, will you please help clarify?

22 MS. ARBOUR: Good job. I think the two
23 issues are, one, is the distribution of the funding, and the
24 second piece is the target that -- the way the targets are
25 assigned for that 4.6-million. So Fabiana, I think, did a

1 great job of laying that out.

2 But the two decision points actually have
3 four components. The distribution of the 4.6, the
4 distribution of the 1.4, the distribution of the State
5 Leadership Funding and the base amount, and then the fourth
6 piece is that 18 supplemental target that is applied to the
7 4.6.

8 We're asking for your approval on the -- or
9 the methodology for that target which aligns with the way
10 we've set targets for the year.

11 CHAIR HUGHS: Yes, thank you. Are there
12 comments or questions on those requests?

13 COMM. ALVAREZ: NO. Thank you.

14 COMM. THOMAS: NO. Thank you.

15 CHAIR HUGHS: Okay, do we have a motion?

16 COMM. THOMAS: I move to accept staff
17 recommendations as clarified by Courtney on both what's
18 identified as decision point number 1, and decision point
19 number 2.

20 COMM. ALVAREZ: I second that.

21 CHAIR HUGHS: We are unanimous. Thank you.

22 COMM. ALVAREZ: Thank you, Ms. Ramirez.

23 COMM. THOMAS: Thank you.

24 MS. RAMIREZ: All right, thank you. And upon
25 adjournment I'll bring to the dais the TWC order for the

1 Fiscal Year 2019 block allocation provisions for signature.

2 COMM. THOMAS: Thank you so much.

3 AGENDA ITEM NO. 15

4 CHAIR HUGHS: So that we have nothing on
5 Items 12, 13 and 14. Are there any updates regarding
6 enacted, proposed, or considered federal or state
7 legislation?

8 MR. BRITT: Good morning, Chair Hughs,
9 Commissioners. For the record, Michael Britt, governmental
10 relations.

11 Last Friday congress passed, and the
12 President signed House joint resolution 28, which funded the
13 portions of the federal government that had been shut down
14 until February the 15th of this year.

15 Also on Friday the president signed House
16 Resolution 430 the TANF Extension Act of 2019. This bill
17 extends the Temporary Assistance for Needy Family Program
18 through June 30, 2019. Moving to the state legislature,
19 last week Speaker Bonnen announced House committee
20 assignments for the 86th Texas Legislature.

21 For committees of note to TWC, Representative
22 John Zerwas was named Chair of the House Appropriations
23 Committee. Representative Raphael Anchia was named Chair of
24 the House International Relations and Economic Development
25 Committee. Representative Trey Martinez Fischer was named

1 Chair of the House Business and Industry Committee, and
2 Representative James Frank was named Chair of the House
3 Human Services Committee.

4 Coming up this Thursday, TWC will be
5 testifying before the Senate Finance Committee at their
6 hearing, which begins at 9:00 a.m. TWC will be testifying
7 on the agency's appropriation request, and Senate Bill 1,
8 Digital Appropriations Act.

9 This concludes my remarks, and I'm happy to
10 answer any questions.

11 CHAIR HUGHS: Any questions, Commissioners?
12 We don't have anything, Mr. Britt.

13 MR. BRITT: Thank you.

14 AGENDA ITEM NO. 16

15 CHAIR HUGHS: Ed, do we have any updates
16 under Item 16?

17 MR. SERNA: No, ma'am. Nothing to update.

18 AGENDA ITEM NO. 17

19 CHAIR HUGHS: All right. Is there a Motion
20 to adjourn?

21 COMM. THOMAS: So moved.

22 COMM. ALVAREZ: I'll second that.

23 CHAIR HUGHS: All right, thank you. We are
24 adjourned. Have a nice day.

25 (Proceedings concluded at 9:08:50 a.m.)

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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 18th day of February, 2019.

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

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