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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
WEDNESDAY, JUNE 5, 2019

BE IT REMEMBERED THAT at 9:00 a.m. on
Tuesday, the 5th day of JUNE, 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 and JULIAN
ALVAREZ, Commissioner.

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1 Discussion, Consideration and Possible Action
2 Regarding Fair Housing Cases listed on the Texas Workforce
3 Commission Docket Dockets 20, 21, 22 and 23.

4 No Discussion.

5 AGENDA ITEM NO. 6

6 Discussion, Consideration and Possible Action
7 Regarding Higher Level Appeals in Wage Claim Cases Listed on
8 the Texas Workforce Commission Dockets 20, 21, 22 and 23.

9 The Commission considered and took action on
10 all wage claim cases listed on Dockets 20, 21, 22 and 23.

11 AGENDA ITEM NO. 7

12 Discussion, Consideration and Possible Action
13 Regarding Higher Level Appeals in Unemployment Compensation
14 Cases Listed on the Texas Workforce Commission Dockets 20,
15 21, 22 and 23.

16 The Commission considered and took action on
17 all unemployment compensation cases listed on Docket Dockets
18 20, 21, 22 and 23.

19 AGENDA ITEM NO. 8

20 CHAIR HUGHS: Okay, good morning. We are
21 back in session. Item 8, Discussion, Consideration and
22 Possible Action Regarding the U.S. Department of Labor
23 Waiver of Workforce Investment Opportunity Act (WIOA)
24 Section 129(a)(4)(A) and 20 CFR 681.410 Allowing the Texas
25 Workforce Commission to Reduce the Out-of-School Expenditure

1 Rate for WIOA Program Year 2019. Good morning.

2 MR. HERR: Good morning commissioners. For
3 the record, my name is Ethan Herr, Workforce Division.

4 The Workforce Innovation and Opportunity Act
5 dealt with these separate changes to the formula-funded
6 youth program, though significantly increasing the minimum
7 expenditure rate for the out-of-school youth population to
8 75 percent of all youth formula funds allocated to workforce
9 boards.

10 The 75 percent expenditure requirement has
11 made it difficult for boards to serve both out of school and
12 in-school youth in ways that best meet each local area's
13 needs, which vary according to population, resources,
14 economy, employment outlook, and other labor market factors.

15 As a component of the two-year WIOA plan
16 modification, TWC requested that the Secretary of Labor
17 lower the out-of-school youth expenditure requirement
18 through a formal waiver request. The secretary approved
19 TWC's waiver request to reduce the minimum expenditure rate
20 to not less than 50 percent. The waiver authorizes TWC to
21 reduce the 75 percent minimum out-of-school youth
22 expenditure rate through June 30, 2020, which is the end of
23 Program Year 2019.

24 This morning staff seeks direction on
25 reducing the minimum amount of school youth expenditure rate

1 applicable to boards from 75 percent to 60 percent which
2 would bring the out-of-school youth-expenditure threshold
3 back to pre-WIOA levels.

4 This concludes my remarks and I'm happy to
5 answer any questions if you have any.

6 CHAIR HUGHS: Thank you. Commissioner
7 Alvarez?

8 COMM. ALVAREZ: No. questions.

9 CHAIR HUGHS: Okay. Is there a motion?

10 COMM. ALVAREZ: Yes, ma'am. I move that we
11 approve reducing the minimum out-of-school youth-expenditure
12 rate applicable to boards from 75 percent to 60 percent.

13 CHAIR HUGHS: And I second the motion. We
14 are unanimous. Thank you.

15 AGENDA ITEM NO. 9

16 CHAIR HUGHS: Item 9, Discussion,
17 Consideration and Possible Action Regarding New
18 Certification and ReCertification of Community
19 Rehabilitation Programs to Participate in the Purchasing
20 from People with Disabilities State-Use Program. Kelvin
21 Moore or Howard Joseph.

22 MR. SERNA: I don't see either one of them.

23 CHAIR HUGHS: Grand entrance.

24 MR. SERNA: There we go.

25 CHAIR HUGHS: Kelvin, we're on Item 9.

1 COMM. ALVAREZ: Yes, Kelvin. We're on Item
2 9. We are on camera.

3 CHAIR HUGHS: That's perfect timing,
4 actually.

5 COMM. ALVAREZ: Good job.

6 MR. MOORE: All right, thank you. Good
7 morning. My name's Kelvin Moore, Program Manager,
8 Purchasing from People with Disabilities.

9 We have before you Agenda Item 9. Re-
10 certification of one community rehabilitation program,
11 Laceking Global Services, Incorporated. And the
12 recertification of one community rehabilitation program --
13 rehabilitation program, Goodwill Industries of Northeast
14 Texas from Sherman, Texas.

15 Staff has reviewed all materials presented by
16 the CRP. In addition, we worked with the central non-profit
17 agency to go over the documentation. Do you have any
18 questions regarding that?

19 CHAIR HUGHS: Commissioner Alvarez?

20 COMM. ALVAREZ: No questions.

21 CHAIR HUGHS: Nor do I. Is there a motion?

22 COMM. ALVAREZ: Yes, ma'am. I move that we
23 approve the new certification and re-certification of the
24 community rehabilitation programs.

25 CHAIR HUGHS: And I second the motion. We

1 are unanimous. Thank you.

2 AGENDA ITEM NO. 10

3 CHAIR HUGHS: Item 10, Discussion,
4 Consideration and Possible Action Regarding Approval of
5 Products Offered by Certified Community Rehabilitation
6 Programs Under the Purchasing from People with Disabilities
7 State-Use Program.

8 MR. MOORE: Yes. For the record my name's
9 Kelvin Moore, Program Manager, Purchasing from People with
10 Disabilities, Texas Workforce Commission.

11 We have before you Agenda Item 10. The
12 listing of six new products and one product price revision
13 that are being offered by three community rehabilitation
14 programs through the State-Use Works Wonders program.

15 Staff does recommend approval for all
16 products before you, and do you have any questions regarding
17 these products?

18 CHAIR HUGHS: Thank you. Commissioner
19 Alvarez?

20 COMM. ALVAREZ: No questions.

21 CHAIR HUGHS: Is there a motion?

22 COMM. ALVAREZ: Yes, ma'am. I move that we
23 approve the new products and price revisions presented by
24 community rehabilitation programs as recommended by staff.

25 CHAIR HUGHS: I second the motion. We're

1 unanimous. Thank you.

2 AGENDA ITEM NO. 11

3 CHAIR HUGHS: Item 11, Discussion,
4 Consideration and Possible Action Regarding Approval of
5 Services Offered by Certified Community Rehabilitation
6 Programs Under the Purchasing from People with Disabilities
7 State-Use Program. Good morning.

8 MR. JOSEPH: Good morning Chair Hughs,
9 Commissioner Alvarez, Mr. Serna. For the record, my name is
10 Howard Joseph, Program Manager, Purchasing from People with
11 Disabilities Program.

12 I have before you Agenda Item 11 for the
13 approval of services. In regards to services, there are
14 three contracts completed under temporary authority
15 employing seven individuals being paid above minimum wage.
16 There are 51 new and renewal contracts employing 307
17 individuals being paid at or above minimum wage. There was
18 one transferred contract employing 32 individuals, all are
19 paid above minimum wage.

20 Staff recommends approval of all service
21 contracts. I'll be happy to answer any questions.

22 CHAIR HUGHS: Thank you. Commissioner
23 Alvarez?

24 COMM. ALVAREZ: No questions.

25 CHAIR HUGHS: Is there a motion?

1 COMM. ALVAREZ: Yes, ma'am. I move that we
2 approve service contracts offered by CRPs under the
3 Purchasing from People with Disabilities Program recommended
4 by staff.

5 CHAIR HUGHS: I second the motion. We're
6 unanimous. Thank you.

7 MR. JOSEPH: Thank you.

8 AGENDA ITEM NO. 12

9 CHAIR HUGHS: Item 12, Discussion,
10 Consideration and Possible Action Regarding Recommended
11 Changes to the Vocational Rehabilitation Services Manual C-
12 400, Training Services.

13 MS. GEIGER: Good morning Chair Hughs,
14 Commissioner Alvarez and Mr. Serna. For the record I'm
15 Carline Geiger from Vocational Rehabilitation.

16 Post-secondary education and training to
17 include academic, vocational and technical training leading
18 to a bachelor's or higher degree, associate's degree,
19 certificate, or occupation-specific credential is available
20 to eligible VR customers if needed to achieve their
21 employment goal.

22 Currently these services are purchased from
23 community and technical colleges, universities and
24 proprietary schools. Payment is based on the type of degree
25 or certificate the customer is purchasing -- pursuing.

1 VR proposes the following policy revisions to
2 address identified issues: Current rates for tuition and
3 fees have not been updated in several years, and do not
4 align with post-secondary education costs reported by
5 institutions of higher education and published by the Texas
6 Higher Education Coordinating Board, THECB. It is proposed
7 that the maximum rate be based on the type of institution
8 the customer will attend, and align with the categorization
9 of the institutions of higher education by the THECB, which
10 will be public to your community colleges, public technical
11 state college, public four-year university, and health-
12 related institutions.

13 In addition, the maximum payment will be the
14 average cost for that institution of higher education as
15 published on the College for All Texans website, plus one
16 standard deviation above the average. This maximum rate
17 will encompass the average cost for 84 percent of the
18 institutions of higher education in Texas and allow the
19 rates to cover a variety of post-secondary programs and
20 degrees that a VR customer may need.

21 The maximum payment for training at a
22 proprietary or career school would be aligned with the same
23 or similar training offered by public community colleges as
24 published on the College for all Texans website.

25 The proposed new rates would be inclusive of

1 both tuition and fees and are detailed in the discussion
2 paper and chapter in your notebooks. Policy would also be
3 revised to provide maximum payments for books and supplies
4 based on the type of institution the customer will attend.

5 Revisions will align progress requirements
6 for VR customers enrolled in correspondence and distance-
7 learning courses with the requirements at comparable
8 institutions of higher education.

9 Revisions will align tuition and fee rates
10 for training provided by paid instructors with the maximum
11 tuition and fee rate for training at a proprietary
12 institution.

13 Policy revisions will align with 40 Texas
14 Administrative Code Section 856.45 regarding payment for
15 academic training at a private college or university in
16 Texas, or at a college or university outside of Texas, with
17 the maximum rate for tuition and fees for a comparable
18 public in-state institution of higher education.

19 Finally, it is proposed that these maximum
20 payments be reviewed annually and updated as necessary based
21 on the methodology described and following publication by
22 the THECB of the average cost for tuition and fees for each
23 of the institutions of higher education.

24 These maximum payments, if approved, would be
25 effective on or before -- on or after July 1st of this year

1 for customers starting post-secondary education and
2 training. And the new maximum payments would be applied for
3 subsequent semesters or terms for customers that are
4 currently enrolled in post-secondary education and training
5 prior to July 1st.

6 Do you have any questions?

7 CHAIR HUGHS: Commissioner Alvarez?

8 COMM. ALVAREZ: No. That's great initiative.

9 CHAIR HUGHS: All right. Thank you for this.

10 And I'm glad to hear there's an annual review and make sure
11 we're we staying competitive with our program. So, is there
12 a motion on this matter?

13 COMM. ALVAREZ: Yes, ma'am. I move that we
14 revise the Vocational Rehabilitation Service Manual C-400
15 regarding post-secondary education and training services as
16 recommended by staff.

17 CHAIR HUGHS: I second. We're unanimous,
18 thank you.

19 MS. GEIGER: Thank you.

20 AGENDA ITEM NO. 13

21 CHAIR HUGHS: Item 13, Discussion,
22 Consideration and Possible Action Regarding Statewide
23 Initiatives Funded with WIOA, TANF, AEL, Child Care or Other
24 State Level Funds, and WIOA Alternative Funding.

25 MS. TROKE: Good morning. For the record,

1 Jen Troke, Workforce Division.

2 The Workforce Innovation and Opportunity Act,
3 Section 128, provides that state-wide funds may be used for
4 discretionary employment and training activities.

5 Historically state-wide funds have been made available
6 through an application or competitive process requiring
7 boards to apply.

8 TWC is interested in reducing the
9 administrative burden for boards so they may focus their
10 efforts on managing service delivery. The Texas
11 Administrative Code, section 800.63(i) states that the
12 commission may allocate such proportion of available WIOA
13 alternative funding for state-wide activities as it
14 determines appropriate. Utilizing the distribution
15 methodology that is based on the proportionality of all
16 amounts of WIOA formula funds allocated through the program
17 year, as well as an equal base amount.

18 Boards have an ongoing need to be responsive
19 to employer partners and community colleges in developing
20 specific training projects, so staff are recommending a
21 distribution to the boards that would allow them to
22 implement one or more initiatives from a menu including;
23 High Demand job training initiative, Texas Industry
24 Partnership, externship for teachers, Women's
25 Entrepreneurship Bootcamp, additional individual training

1 account funds, or other innovative projects for targeted
2 populations.

3 Boards would be required to submit a plan for
4 the fund usage to TWC that has been approved by their local
5 Workforce Development Board. TW staff will provide
6 confirmation that any board-approved plan is an allowable
7 use of WIO state-wide funds. Staff will also provide
8 regular updates to commissioners on each board's plans,
9 progress, and use of the funds.

10 Staff recommends that commissioners consider
11 using available FY 2019 WIOA state-wide reserve funds to
12 provide \$11,785,422 in WIOA alternative funding for state-
13 wide activities consistent with commission rules. Any
14 questions?

15 CHAIR HUGHS: Commissioner Alvarez?

16 COMM. ALVAREZ: Yes. I have a comment, and
17 then I'd like to make a motion after that. But here are my
18 comments.

19 CHAIR HUGHS: Okay.

20 COMM. ALVAREZ: Regarding line 43 on page 1
21 through line 8 on page 2; page 1 states, Boards can
22 implement one or more initiatives from the menu. Yet the
23 asterisk footnote indicates that four of the listed menu
24 options are required. Shouldn't the boards have the
25 flexibility to implement some or all of the listed options,

1 otherwise why list the individual training accounts, funds,
2 and other initiative projects as a menu option if there are
3 no opportunities to implement with the monies allotted?

4 Also, shouldn't registered apprenticeship be
5 one of the listed menu options, since it helps to serve
6 under-represented populations, individuals with barriers to
7 employment, and helps employers train and retain skilled
8 workforce. I believe it should be one of the listed menu
9 options.

10 These are just the recommendations coming
11 from me.

12 MS. TROKE: Okay.

13 CHAIR HUGHS: Do you have a response?

14 MS. TROKE: Sure. So, for apprenticeship, if
15 they would like to do other innovative projects for targeted
16 populations, they could surely fit that within that
17 category.

18 As far as requiring one of the four main
19 initiatives; high demand, TIF, externship for teachers or
20 Women's Entrepreneurship Boot Camp, so they could choose one
21 of those, plus any combination of the others.

22 COMM. ALVAREZ: Okay.

23 MS. TROKE: So that was what the asterisk was
24 trying to reflect, but maybe that didn't come across that
25 clearly.

1 COMM. ALVAREZ: Perfect.

2 CHAIR HUGHS: So, for example, building or
3 construction; some of our other state initiatives the
4 asterisk would allow them to then fund those other items.

5 MS. TROKE: Yes.

6 COMM. ALVAREZ: Thank you for the hard work
7 you put into this, Jen. You and your team.

8 MS. TROKE: Oh, it was a whole team of
9 people.

10 COMM. ALVAREZ: I know and thank you for
11 that. This is really good.

12 CHAIR HUGHS: Before I ask for a motion, I
13 have another comment. But I don't, like -- do you have any
14 further comments?

15 COMM. ALVAREZ: No. That's the only comments
16 I have.

17 CHAIR HUGHS: Okay. And it's well noted that
18 apprenticeship, this stream of funding to the extent that
19 can be used for that, certainly would be an option for
20 boards.

21 We know in Texas one size does not fit all,
22 and we have had so many great initiatives through the
23 leadership of both staff bringing us information and then
24 commissioners really hearing from stakeholders and coming up
25 with great ideas that have -- we've seen the impact that

1 it's had across the state. But, certainly, having to apply
2 for these different RFPs. And then sometimes not getting
3 them. We've been often faced with boards that have been so
4 disappointed not to be able to take advantage of some of
5 these because it was so competitive. So, I know that this
6 is going to be something that's going to be very well
7 received, and I know Commissioner Alvarez and I are going to
8 be excited to get the updates.

9 COMM. ALVAREZ: Exactly.

10 CHAIR HUGHS: And find out from the boards
11 across the state what plans they do submit to us, and then
12 see whether any of them are things that we do want to scale.
13 So, I'm really excited to give them this opportunity and
14 give them this flexibility.

15 COMM. ALVAREZ: Yeah.

16 CHAIR HUGHS: And I've heard really good
17 feedback. So, with that, is there a motion?

18 COMM. ALVAREZ: Yes. So, thank you for the
19 comments, Madam Chair. I move that we approve using
20 available FY 2019 WIOA state-wide reserve funds to provide
21 \$11,795,422 in WIOA alternative funding for state-wide
22 activities consistent with commission rules and distributed
23 to each local workforce area in the manner outlined in the
24 attachment. Thank you again.

25 CHAIR HUGHS: And I second.

1 MS. TROKE: Thank you both.

2 CHAIR HUGHS: And I second the motion We're
3 unanimous. Thank you.

4 COMM. ALVAREZ: Yes.

5 AGENDA ITEM NO. 15

6 CHAIR HUGHS: Okay. There is nothing for
7 Item 14. Item 15, Discussion, Consideration and Possible
8 Action Regarding Approval of Local Workforce Development
9 Board Nominees.

10 MR. WOESSNER: Good morning Chair Hughs,
11 Commissioner Alvarez and Mr. Serna. For the record, Richard
12 Woessner, Workforce Development Division.

13 Before you for your consideration and
14 approval are Workforce Development Board nominations for
15 Workforce Solutions Concho Valley and North Central Texas.

16 CHAIR HUGHS: Commissioner Alvarez? Is there
17 a motion?

18 COMM. ALVAREZ: Yes. I move that we approve
19 the board nominees for Concho Valley and North Central
20 Texas. Good job.

21 CHAIR HUGHS: I second the motion. We're
22 unanimous. And thank you, Richard, for serving and for the
23 work you've been doing.

24 COMM. ALVAREZ: Yes.

25 MR. WOESSNER: Thank you.

1 CHAIR HUGHS: Appreciate it, and
2 congratulations to Ms. Williams as the new Director of the
3 Workforce and Board Support.

4 AGENDA ITEM NO. 16

5 CHAIR HUGHS: All right, Item 16,
6 Discussion, Consideration and Possible Action Regarding
7 Legislative Proposals by the Texas Workforce Commission to
8 the 86th Legislative Regular Session.

9 MR. McCARTY: Good morning Chair Hughs,
10 Commissioner Alvarez. Tom McCarty with External Relations.

11 You may recognize the familiar face to my
12 right, which is Michael Britt. He's had sleep since last
13 week, so he may look a little different.

14 The 86th Texas Legislature adjourned sine die
15 last Monday, May the 27th. During the session TWC monitored
16 958 bills and staff across the agency prepared over 1200
17 impact cost analyses. This board was invaluable in
18 assisting the Government Relations and Finance Department
19 this session.

20 As you can see, this is an agency effort, and
21 not just the effort from GR and Finance, but it's the effort
22 from all departments within the agency and divisions. So,
23 I'd like to thank them for all their work in helping us have
24 a successful session.

25 Also, in the audience is the GR team, and if

1 they would stand, I'd like to recognize their long hours
2 during the session. We have Kim Barry (ph), Joe Dyer (ph),
3 Christopher Grinning (ph), and Aaron Hand (ph).

4 (Applause)

5 They're not done yet, though. They've got to
6 -- we're going to challenge them to have a report done, that
7 we'd normally have to you all in July, to actually have it
8 to you Monday after the veto period. So they may have
9 another weekend under their belt. We'll see how that plays
10 out.

11 I'd also like to thank those that are called
12 upon to serve as a resource witness on the behalf of the
13 agency pretty much on a regular basis, and sometimes on very
14 short notice. Mr. Serna, Courtney Arbour, Carrie Ballast
15 (ph), Will Kay (ph), Aaron Demerson, Cheryl Fuller (ph),
16 Clay Cole, Chuck Ross, Lee Percell (ph), and Mariana Vega,
17 who I understand is on a beach somewhere in Mexico right
18 now. So --

19 CHAIR HUGHS: Yes.

20 MR. McCARTY: Anyways, some of them are in
21 the audience, but I'd like to also thank them and just, you
22 know, they can stand if they want to.

23 CHAIR HUGHS: If your name was called, will
24 you please stand?

25 (Applause)

1 MR. McCARTY: So, this morning I'll provide
2 you with an overview of TWC's appropriations and Michael's
3 going to highlight the major bills that TWC was monitoring
4 as well as our legislative bills, as well.

5 With respect to the appropriation's bill for
6 the 2020 and 2021 biennium, HB-1 appropriates TWC with
7 approximately 1-billion all funds.

8 The legislature also funded all TWC's
9 exceptional items requests for the restoration of 35.1-
10 million in childcare funding that had been originally removed
11 from the Fiscal Year 2021 appropriations. TWC's request for
12 additional 6-million for the Jobs and Education for Texans
13 Program, and an additional 1.3-million in apprenticeship
14 funding.

15 The legislature also approved TWC's capital
16 budget request for the eligible training provider and career
17 school systems. TWC's request for an unemployment insurance
18 system replacement and the workforce case management system.

19 HB-1 also includes several new riders for
20 TWC. And the bill includes; a new rider that requires TWC
21 to submit a biennium report on AEL program activities and
22 performance measures, a new rider that requires TWC to
23 contract with an external consultant to conduct a review of
24 the AEL program, and it requires AEL grants and awards to be
25 approved by the commission.

1 The bill also includes a rider that allocates
2 250,000 each year of the biennium to form a collaborative
3 partnership with organizations that, among other specific
4 requirements, are exempt from federal income taxes, composed
5 of individuals who have expertise in workforce training, are
6 located in and serve urban areas of the state, and are
7 accredited by the National Center for Construction Education
8 and Research, and have proven experience in administering
9 training programs or contracting with state agencies.

10 And with that, I'm going to turn it over to
11 Michael and let him go over the legislation.

12 MR. BRITT: Good morning Chair Hughs,
13 Commissioner Alvarez. Again, for the record, Michael Britt,
14 Governmental Relations.

15 The legislature did pass three of TWC's
16 legislative proposals. Senate Bill 1500 by Senator Zaffirini
17 and sponsored by Representative Vo, which was TWC's
18 legislative proposal related to the removal of the
19 unconstitutional provisions of the Texas Payday Law. The
20 bill was signed by the governor on May 22 and became
21 effective on that day.

22 Senate Bill 1413, by Senator Zaffirini, and
23 also sponsored by Representative Vo, which is TWC's
24 legislative proposal regarding the consolidation of annual
25 reporting requirements, was signed into law on May 28th, and

1 the bill is effective on September the 1st.

2 Finally, Senate Bill 2296, by Senator Powell
3 and sponsored by Representative Vo, is TWC's legislative
4 proposal related to common paymaster. That bill is awaiting
5 the governor's action.

6 Now I will highlight a few of the major bills
7 related to TWC that were passed this session.

8 House Bill 680 by Representative Deshotel.
9 This legislation makes numerous changes to the childcare
10 program, including changes to professional development for
11 childcare providers. Requires TWC to consider the cost and
12 placements available when evaluating whether the state CCDF
13 funds address the childcare needs of each board area.
14 Requires TWC to add to its report on the effectiveness of
15 childcare information on the -- on coordination with TEA to
16 assign PEIMS numbers to children younger than 6,
17 coordination with TEA on quality improvement activities,
18 efforts to increase coordination among subsidized childcare
19 providers, and requires TWC to receive input from TEA, open
20 enrollment charter schools among others as part of its
21 stakeholder input on the program. And, finally, the bill
22 allows for boards to establish contracted slots for
23 subsidized childcare.

24 House Bill 696 by Representative Blanco
25 codifies the Texas Veterans Leadership Program and Operation

1 Welcome Home Services for veterans and military service
2 members.

3 House Bill 700 by Representative Guillen.
4 This bill adds local Workforce Development Boards to the
5 list of entities eligible to receive Skills Development Fund
6 grants. The bill also requires TWC to complete a study on
7 ways to increase the effectiveness of the Skills Development
8 Fund that makes recommendations on when to increase the
9 effectiveness and expand participation in the program.

10 Next, we had House Bill 1483, by
11 Representative Frank. This bill creates a pilot program to
12 be administered by HHSC with assistance from TWC to assist
13 eligible families to gain permanent self-sufficiency from
14 means-tested public benefits, including TANF and SNAP.

15 House Bill 1949 by Representative Guillen
16 requires TWC to establish a performance-based process for
17 annual awarding of AEL funds to grant recipients. This bill
18 also requires that the commission approve the award of all
19 AEL grant funding.

20 We had House Bill 2784, by Representative
21 Phelan. This legislation creates the Texas Industry-
22 Recognized Apprenticeship Grant Program to address the
23 industrial workforce needs of the state resulting from
24 Hurricane Harvey.

25 The bill also creates the Texas Industry-

1 Recognized Apprenticeship Fund as a dedicated account in the
2 state's General Revenue Fund from which these apprenticeship
3 programs will be funded.

4 Next, we had House Bill 3511, by
5 Representative Van Deaver. This bill creates the Commission
6 on the Texas Workforce of the Future, of which TWC is a
7 member.

8 Senate Bill 619 by Senator Birdwell. This
9 bill sets the Sunset Commission review date for the
10 Purchasing from People with Disabilities Program to the Year
11 2027, which aligns it with TWC's upcoming sunset date.

12 Finally, we had Senate Bill 1055 by Senate
13 Bill Zaffirini. This bill creates a workforce diploma pilot
14 project to be administered by TWC.

15 Governor Abbott has until June 16th to sign or
16 veto legislation pass during the 86th legislature, so be at
17 that time we'll know which of these bills do, in fact,
18 become enacted or potentially vetoed. And just in closing,
19 I would like to echo Tom's comments on my, you know, extend
20 my thanks to not only agency staff, but also the GR team,
21 which I am privileged to lead every day, and I can't thank
22 them enough for all their help. So, with that, that
23 concludes my remarks, and I'm happy to answer any questions.

24 CHAIR HUGHS: Commissioner Alvarez?

25 COMM. ALVAREZ: Great job, Mike, Tom and your

1 team. Thank you for keeping us posted on the daily activity
2 of what was going on during session.

3 MR. BRITT: Thank you, sir.

4 COMM. ALVAREZ: So thank you for all of your
5 work.

6 CHAIR HUGHS: I, too, want to thank you, and
7 I think everyone in this room should give themselves a big
8 round of applause and give you one for surviving the session
9 and all the great work that was done.

10 (Applause)

11 MR. BRITT: Thank you.

12 CHAIR HUGHS: I think it's important to note
13 for them to entrust us with our exceptional items and the
14 additional funding for these programs really speaks to
15 knowing that we're very good stewards of the funds, and that
16 we make such an impact across the state. And that's really
17 due to all the hard work of everyone in this room and across
18 the state with our boards. So, thank you very much for all
19 of that great work, and I hope you continue to get some
20 rest.

21 AGENDA ITEM NO. 18

22 CHAIR HUGHS: So, with that, we will move to
23 Item 17, Discussion, Consideration and Possible Action
24 Regarding -- one second -- Regarding Enacted, Proposed or
25 Considered Federal Regulations, Executive Orders, or Federal

1 or State Enacted or Proposed Legislations.

2 We'll move along from that one. And --
3 sorry. I didn't have a note that there wasn't anything
4 there. We kind of covered it a lot for the 16.

5 Okay, so 18, Report and Update by the
6 Executive Director and Staff Regarding Administrative
7 Matters, Including Internal Policies and Procedures,
8 Customer and Board Service Issues, Status of Current or
9 Potential Project Assignments, Organizational Matters and
10 Responsibilities of the Agency's Divisions.

11 MR. SERNA: Good morning.

12 CHAIR HUGHS: Good morning.

13 COMM. ALVAREZ: Good morning.

14 MR. SERNA: Very quickly. One of the things
15 that Tom --

16 CHAIR HUGHS: And please state your name for
17 the record.

18 MR. SERNA: Oh, I'm sorry. That's right. Ed
19 Serna.

20 CHAIR HUGHS: But you look very familiar.

21 MR. SERNA: Tom Suggested that I stand when
22 Courtney and the other staff stood, and I thought, "Well I
23 can -- I can sit well and maybe roll over, but I'm not sure
24 I can stand this time."

25 One thing that Tom pointed out, or Michael,

1 is Senate Bill 1413, which I would like to point out, was a
2 very significant piece of legislation for this agency, and
3 only -- we were only successful and getting it passed
4 because of Tom McCarty's hard work. And I say that. He did
5 work hard on it, but partially tongue in cheek, because he
6 was our resource witness, and I don't believe I've ever seen
7 somebody prepare to be a resource witness on a bill to just
8 consolidate reports as much as I saw Tom prepare.

9 So that's what happens when you get a GR
10 person to actually have them sit at a table to testify.
11 They realize everything else that we have to go through.
12 But he and all the GR staff and all the agency staff did
13 fantastic during the session. He did point out that that
14 was the first bill, I believe, that the governor did sign.
15 So, it's was that, the reports consolidation.

16 A couple of things I want to report to the
17 commission. First of all, in IT, we did have an employee
18 receive an Outstanding IT Service and Support Award at the
19 Texas Digital Summit. One of our IT Security staff, and I'm
20 going to -- I'm not going to pronounce your name right, and
21 I apologize so Sophia in advance, but Sophia Glomuzuna (ph),
22 who works in IT Security received this award.

23 The award honors those dedicated to public
24 service, recognizing the IT team members who work day-in and
25 day-out providing services to the citizens of Texas and

1 their customers.

2 Sophia's done an outstanding job in that
3 area. She's championed our internal anti-phishing efforts
4 and has been very instrumental in getting the word out and a
5 lot of training out in that area. So, we're going to
6 complement Sophia on her receiving that award.

7 COMM. ALVAREZ: And I think she's here.
8 Right?

9 CHAIR HUGHS: Is she here, do you know?

10 COMM. ALVAREZ: I think she's here.

11 MR. SERNA: Yeah. There she is. All right.

12 (Applause)

13 MR. SERNA: I'm surprised that IT let her out
14 of that secure room that they keep her in. But she's done
15 an outstanding job for us.

16 Second thing I wanted to do, was going on
17 upstairs right now, and it's been several weeks, are these
18 different sessions for train the trainer for Work in Texas
19 replacement.

20 There have been at least four sessions. I
21 think this is the fifth one. We've had four for board
22 trainers that are coming in to get trained and we've had one
23 out are our Mopac (ph) facility for our own staff. I
24 believe those sessions are going very well.

25 And the significance of the session is, one,

1 the individuals that are there -- and I went up to visit
2 with them earlier today. The individuals that are there
3 from the boards take that material, but then in their own
4 way customize it so that it meets the needs of their
5 customers in the board much better than having somebody from
6 TWC or our vendor partner, GeoSolutions, go out and provide
7 generic training to all of our board partners. They can --
8 they can customize it to the unique employees in the boards
9 that'll help them get this done quicker. Those sessions are
10 going very well.

11 Staff also continues to work with GSI to get
12 the system tested and completed and implemented as we move
13 forward, and those efforts are going on as well, so I wanted
14 to make sure that, one, that the training that was going on
15 very successfully and, two, the continued efforts of the
16 staff to get that system implemented so we can have our new
17 Work in Texas system in place.

18 And then the other thing I have is a little
19 bit of not-so-happy news. Alfredo Mique (ph) will be
20 leaving the agency effective this Friday. It's been a long
21 farewell. He told me several weeks ago that he was going to
22 be out in the -- he was going to be leaving. And then he
23 promptly was out for a couple of weeks. He is -- he is kind
24 of leading the TWC nest and going and starting his own
25 business to help other state's agencies, as well as possibly

1 other agencies here, with their RPI efforts. Hanging out
2 his own shingle.

3 He joined us about six and a half years ago
4 and has done an outstanding job leading our efforts and
5 really getting us -- really getting us motivated. I don't
6 know if Alfredo is here or not, or if he's upstairs. He's
7 not. He's upstairs trying to get a whole bunch of things
8 done in one week, plus get his office packed up. If you'd
9 been in there and seen his office, it's a little bit of a --
10 of a shambles right now.

11 But at any rate, I wanted to -- I wanted to
12 express my appreciation to Alfredo for leading our RPI
13 efforts. Which have made a significant impact on the agency
14 and helped us get recognition state-wide for those efforts.

15 Those are the only things that I have to
16 report.

17 CHAIR HUGHS: Commissioner Alvarez I have
18 some things to add, but I don't know if you had anything.

19 COMM. ALVAREZ: Go ahead. No, ma'am.

20 CHAIR HUGHS: Okay. Well, with respect to
21 Alfredo, I had the opportunity to ride in the elevator with
22 him this morning, so I can attest that he's here, and I
23 guess packing, and I'm excited to hear that he is moving on
24 to this exciting new adventure, which I believe also
25 includes international clients. But he did make a point of

1 saying he'll be at future stakeholders as an employer in the
2 State of Texas. And we've seen the benefits of RPI across
3 the agency, so I'm really thankful to him for his service in
4 that area and grateful that we're going to continue the work
5 that he began here and with Jonathan and the team. So,
6 looking forward to continuing to have that type of process
7 where we take that time to figure out how we can really find
8 the most efficiencies in the work that we do. So really
9 appreciate their efforts.

10 I did want to ask Ed, and if this is a
11 conversation for later, I'm just putting it on record as my
12 opportunity to talk to Commissioner Alvarez about it, or at
13 least mention it to him. In the past we had a state-wide
14 initiative specific to healthcare, and I think that we could
15 potentially dust that off. It'd probably be a different
16 version of it. Because I don't know that it was as
17 successful as it could have been. I also think it was
18 specific to nurses.

19 But we continue to hear across the state for
20 the ongoing need in the healthcare profession, and some
21 examples of some, you know, health -- Allied Healthcare
22 Industry and Occupations type initiative that we could have
23 could address home health aides, dental lab techs, pharmacy
24 techs, phlebotomists, dental hygienists, cardio techs,
25 radiation techs, respiratory techs, physical therapists,

1 medical assistants, physician assistants. I think we could
2 have a broader range of high-demand jobs and figuring out
3 how we can put little bit of an extra investment as a state
4 to make sure that our healthcare industries are really
5 getting the extra support that they need to continue to
6 grow.

7 So, I requested staff to look at that as a
8 potential initiative, and bring it back to us for briefing
9 and for a discussion at a future date. And my staff would
10 be happy to work with you on it, and Commissioner Alvarez,
11 if you all want to also weigh in, in the process, I'd be
12 happy to have that briefing as an ongoing opportunity to
13 maybe consider that in a future docket.

14 MR. SERNA: Yes, ma'am. We'll do that.

15 CHAIR HUGHS: Thank you for that.

16 MR. SERNA: Okay.

17 AGENDA ITEM NO. 19

18 CHAIR HUGHS: All right. So, with that we
19 are actually now going to go into executive session pursuant
20 to Texas Government Code Section 551.071(1) Concerning
21 Pending and/or Contemplated Litigation. Captured NTT Data
22 vs. TWC. And to Discuss the Appointment, Employment,
23 Evaluation, Reassignment, Duties, Discipline, or Dismissal
24 of the Executive Director, Internal Auditor, Executive
25 Staff, or other Personnel, pursuant to Texas Government Code

1 Section 551.074(a)(1).

2 CHAIR HUGHS: All right. We are back on the
3 record. We had gone off to executive session, as previously
4 noted, at 9:37 a.m. We're going to pause a moment to wait
5 for the feed.

6 All right. We are back on record. We had
7 gone to executive session at 9:37 a.m. The time is now
8 10:37 a.m. and I believe there's a motion to consider?

9 COMM. ALVAREZ: Yes, ma'am. I move that we
10 approve the settlement of dispute captioned as NTT Data Inc
11 vs. Texas Workforce Commission State Office of
12 Administrative Hearing Docket Number 321-18-0439-cc.

13 CHAIR HUGHS: And I second the motion. We
14 are unanimous.

15 COMM. ALVAREZ: Have a good day, ma'am.

16 AGENDA ITEM NO. 20

17 CHAIR HUGHS: Is there a motion to adjourn?

18 COMM. ALVAREZ: I move that we adjourn.

19 CHAIR HUGHS: I second. We are adjourned.

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21 (Proceedings concluded at 10:38:00 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 6th day of June, 2019.

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

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