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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, JULY 30, 2019

BE IT REMEMBERED THAT at 9:00 a.m. on
Tuesday, the 30th day of July, 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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P R O C E E D I N G S

TUESDAY, JULY 30, 2019

(9:00 a.m.)

AGENDA ITEM NO. 1

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

AGENDA ITEM NO. 2

CHAIR HUGHS: Susanna, has anyone signed up for public comment?

MS. CUTRONE: No, no one has signed up for public comment.

CHAIR HUGHS: All right, thank you. I'm sorry, I'm using your first name today.

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.

1 No cases were heard.

2 AGENDA ITEM NO. 5

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

6 No cases were heard.

7 AGENDA ITEM NO. 6

8 Discussion, Consideration and Possible Action
9 Regarding Higher Level Appeals in Wage Claim Cases Listed on
10 the Texas Workforce Commission Docket 31.

11 The Commission considered and took action on
12 all wage claim cases listed on Docket 31.

13 AGENDA ITEM NO. 7

14 Discussion, Consideration and Possible Action
15 Regarding Higher Level Appeals in Unemployment Compensation
16 Cases Listed on the Texas Workforce Commission Docket 31.

17 The Commission considered and took action on
18 all unemployment compensation cases listed on Docket 31.

19 AGENDA ITEM NO. 8

20 CHAIR HUGHS: Item 8, Discussion,
21 Consideration and Possible Action Regarding the Report to
22 the Governor and Legislative Leadership Offices Concerning
23 the Estimated Unemployment Trust Fund Balance Pursuant to
24 Texas Labor Code Section 204.061, and the Estimated
25 Employment and Training Investment Holding Fund Balance

1 Available for Transfer Pursuant to Texas Labor Code Section
2 204.123. Good morning.

3 MR. TOWNSEND: Good morning Chair Hughs,
4 Commissioner Alvarez. Wearing a couple hats this morning
5 sitting in for Ed Serna, so I'll just make the report from
6 here.

7 CHAIR HUGHS: Please state your name for the
8 record.

9 MR. TOWNSEND: Oh, Randy Townsend, Chief
10 Financial Officer. Thank you.

11 This morning, commissioners, is presenting
12 the latest update to our trust fund balance. I'm looking at
13 the 2019 estimated balance that will be available as of
14 September 30th or October 1st of this year. Just by way of
15 quick review, we are beginning the year with just under 1.7-
16 billion last October 1st. We expect to add about 2.4-billion
17 to the trust fund.

18 When you account for the interest of about
19 45-million and then the estimated payout, which is now
20 estimated at 1-billion 883-million, that will bring the
21 trust fund balance on September 30th to 2.2-billion. That
22 is going to be above the floor. The estimated floor is
23 about 1.1-billion. That'll bring the trust fund balance to
24 just under 1.1-billion over the floor. So it -- we're in
25 very good shape as far as the balance goes.

1 It is kind of interesting to note. I was
2 looking back at the beginning balance in 2018, a year ago,
3 we started with 1.1-billion, we added about a half a billion
4 last year, we're estimated to add about another half-billion
5 this year. So in a year's time we've actually, or two
6 years' time, we've actually brought the balance from 1.1-
7 billion to 2.2-billion, primarily on the basis of the lower
8 payouts of the trust fund, which have been averaging just
9 under 2-billion for the last couple years.

10 That's the portion dealing with the
11 Unemployment Trust Fund balance. We'll give you a quick
12 update on the Employment Training Investment Assessment,
13 ETIA, Holding Fund. Holding fund is 5128, is the account
14 number. The beginning balance, we began the year with 172-
15 million in that fund. Estimate we'll add about 112-million
16 to the balance, and that will bring -- and then when you
17 account for the transfer that will occur for the Skills
18 Development Program, that'll leave a balance in there of
19 about 240-million in the ETIA.

20 And let me just provide with -- to you just a
21 few of the recent trends relating to the Unemployment Trust
22 Fund. The weekly benefits paid we're averaging about 40-
23 milion a week, for a 6-week average, and this was as of July
24 13th. That was a 6.9 percent increase from the one year ago
25 average. The initial claims we're averaging 13,890, and

1 that was also an increase of about 4 percent, so that's
2 first time in a while we've seen that actually increase now
3 on the year over year average. However, the unemployment
4 continued claims were pretty flat, 118,000, just under
5 119,000. And that was about 0.3 percent of change, that
6 small increase. And so that part has stayed relatively
7 similar to a year ago.

8 With that, commissioners, that concludes the
9 Unemployment Trust Fund Projection Report for this morning.
10 You have any questions or comments?

11 CHAIR HUGHS: Thank you. Commissioner
12 Alvarez?

13 COMM. ALVAREZ: No, ma'am.

14 CHAIR HUGHS: We don't. Thank you for that
15 update, Randy. Really appreciate it.

16 MR. TOWNSEND: Thank you.

17 AGENDA ITEM NO. 9

18 CHAIR HUGHS: Item 9, Discussion,
19 Consideration and Possible Action Regarding Approval of
20 Products Offered by Certified Community Rehabilitation
21 Programs Under the Purchasing from People with Disabilities
22 State-Use Program. Good morning.

23 MR. MOORE: Morning. Good morning Chair,
24 commissioners, Mr. Townsend.

25 CHAIR HUGHS: Kelvin, can you make sure your

1 microphone is on? Thank you.

2 MR. MOORE: Sure. Good morning Chair,
3 commissioners, Mr. Townsend. For the record, my name is
4 Kelvin Moore, Program Manager, Purchasing from People with
5 Disabilities Program.

6 We have before you Agenda Item 9, the listing
7 of 4 new products, and 11 products price revisions that are
8 being offered by community rehabilitation programs. Under
9 the -- under new products, items 2 and 3 is postponed
10 pending research by staff. Staff is recommending approval
11 of all products before you except for items 2 and 3 under
12 new products.

13 CHAIR HUGHS: Okay, thank you. Commissioner
14 Alvarez?

15 COMM. ALVAREZ: No comments.

16 CHAIR HUGHS: Is there a motion?

17 COMM. ALVAREZ: Yes, ma'am. I move that we
18 approve the new products except for those found on pages two
19 and three, and price revisions presented by community
20 rehabilitation programs as recommend by staff.

21 CHAIR HUGHS: And I second the motion. We
22 are unanimous, thank you.

23 AGENDA ITEM NO. 10

24 CHAIR HUGHS: That brings us to Item 10,
25 Discussion, Consideration and Possible Action Regarding New

1 Certification and ReCertification of Community
2 Rehabilitation Programs to Participate in the Purchasing
3 from People with Disabilities State-Use Program.

4 MR. MOORE: Again, for the record, my name's
5 Kelvin Moore, Program Manager, Purchasing from People with
6 Disabilities Program. We have before you Agenda Item 10 for
7 the new certification of one community rehabilitation
8 programs, Open Wings Independent Living, Incorporated in
9 Houston, Texas; and the recertification of one community
10 rehabilitation program, Goodwill Contract Services, in Waco,
11 Texas.

12 Staff has reviewed all of the materials
13 presented by the CRPs. In addition, we worked with the
14 Central Nonprofit Agency. Staff recommends certification of
15 both of these CRPs.

16 CHAIR HUGHS: Thank you. Commissioner
17 Alvarez, do you have any comments or a motion?

18 COMM. ALVAREZ: Yes, ma'am. I move that we
19 approve the certification and recertification of community
20 rehabilitation programs as recommended by staff.

21 CHAIR HUGHS: And I second the motion. We
22 are unanimous.

23 MR. MOORE: Thank you.

24 AGENDA ITEM NO. 11

25 CHAIR HUGHS: Item 11, Discussion,

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

5 MR. JOSEPH: Good morning Chair Hughs,
6 Commissioner Alvarez. For the record my name is Howard
7 Joseph, Program Manager, Purchasing from People with
8 Disabilities Program.

9 I have before you Agenda Item 11 for the
10 approval of services. In regard to services there are 10
11 contracts completed under temporary authority employing 35
12 individuals being paid above minimum wage. There are 45 new
13 and renewal contracts employing 177 individuals being paid
14 at or above minimum wage. There are 5 transferred contracts
15 employing 15 individuals, all are paid at or above minimum
16 wage.

17 Staff recommends approval of all service
18 contracts, including document destruction, which I briefed
19 your offices on. I'll be happy to answer any questions.

20 CHAIR HUGHS: Commissioner Alvarez?

21 COMM. ALVAREZ: I move that we approve
22 service contracts offered by CRPs under the Purchasing with
23 People with Disabilities Program and revisions to the price
24 of document destruction as recommended by staff.

25 CHAIR HUGHS: And I second the motion. We

1 are unanimous, thank you.

2 MR. JOSEPH: Thank you.

3 AGENDA ITEM NO. 14

4 CHAIR HUGHS: All right. Item 12, we have
5 nothing for Items 12 and 13. That brings us to Item 14,
6 Discussion, Consideration and Possible Action Regarding
7 Approval of Local Workforce Development Board Nominees.
8 Welcome.

9 MS. WILLIAMS: Thank you. Good morning Chair
10 Hughs, good morning Commissioner Alvarez. For the record,
11 I'm Chantel Williams with the Workforce Development
12 Division. And before you for consideration and approval are
13 workforce development board nominations for the Gulf Coast
14 Workforce Area.

15 CHAIR HUGHS: Thank you. Commissioner
16 Alvarez?

17 COMM. ALVAREZ: I move that we approve the
18 board nominees for Gulf Coast.

19 CHAIR HUGHS: And I second the motion. We
20 are unanimous, thank you.

21 MS. WILLIAMS: Thank you.

22 CHAIR HUGHS: And welcome.

23 MS. WILLIAMS: Thank you.

24 AGENDA ITEM NO. 16

25 CHAIR HUGHS: All right, there is nothing

1 for Item 15 and that brings us to Item 16, updates from the
2 executive director. And in his absence, I understand today
3 it will be you, Randy.

4 CHAIR HUGHS: Yes, ma'am. Chair Hughs,
5 Commissioner Alvarez, Randy Townsend again sitting in for Ed
6 Serna this morning.

7 Have one staff report for you this morning.
8 We're pleased to announce the -- our newest Commissioner
9 Representing the Public, Mr. Brian Daniel. He was sworn in
10 earlier this morning. He is, I think, believe is watching
11 this via his office, and he is going through all the
12 statutorily required training that I know the two of you are
13 very familiar with, to make sure that you've completed all
14 of that before you participate in these particular meetings.
15 And so, we are certainly pleased to welcome Commissioner
16 Daniel to the commission this morning and look forward to
17 working together on this.

18 CHAIR HUGHS: Great. Are there any other
19 updates?

20 MR. TOWNSEND: Not that I know of.

21 CHAIR HUGHS: Okay. Then I will take the
22 opportunity to also welcome Commissioner Daniel. He's
23 served most recently as the Director of Economic Development
24 and Tourism under Governor Abbott. And we're very excited
25 to have him join us on the team here as a commission. I

1 know that we're going to do a lot of great work together for
2 the State of Texas working in unison as a commission, so
3 very excited to welcome on board.

4 I know he's getting his training done and
5 might be joining us for the work sessions, which we'll look
6 forward to. And I know that everyone here will welcome him
7 and guide him as you did with the two of us when we started.
8 And we're really grateful in advance for all of that
9 assistance that you'll provide to him to ensure his success.
10 So thanks. Commissioner Alvarez?

11 COMM. ALVAREZ: I'd just like to welcome
12 Commissioner Daniels to this great agency, and I look
13 forward to working with him.

14 AGENDA ITEM NO. 17

15 CHAIR HUGHS: All right, is there a motion to
16 adjourn?

17 COMM. ALVAREZ: I move that we adjourn.

18 CHAIR HUGHS: Right. We are adjourned and we
19 will reconvene at 9:30, thank you.

20

21 (Proceedings concluded at 9:11:12 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 5th day of August, 2019.

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

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