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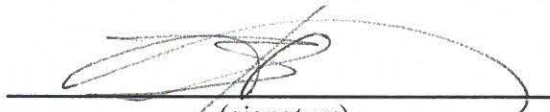
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **Valeriia Fedorova**, to me well known, and who, after being by me duly sworn, deposes and says:

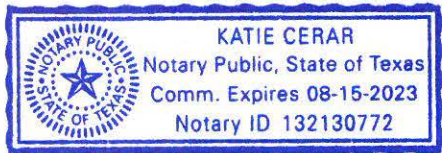
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- **Commission Meeting 9-24-19 (41:30-1:16:25, 1:27:00-1:28:51)**

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 (signature)

SUBSCRIBED AND SWORN to before me on this 7<sup>th</sup> day of **October, 2019**,



  
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Comm. expires: **August 15, 2023**

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## TEXAS WORKFORCE COMMISSION MEETING

Chairman Daniel

42:04

And we are back. We are back in session. Let's start back with Item 8, "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, the estimated employment training investment holding plan balance available for transfer pursuant to Texas Labor Code Section 204.123."

Randy Townsend

42:29

Good Morning, Chairman Daniel. Commissioners Alvarez and Demerson. For the record, Randy Townsend, Chief Financial Officer.

Presenting our Unemployment Trust Fund balance, this will be for October 1<sup>st</sup> this year, so we're just a few days away from that. So for the most part, this reflects actual amounts, generally speaking. Just by way of review, we started the year last October with a balance of the Unemployment Trust Fund of one billion six hundred eighty-nine, thereabouts. Added employer reminiscence collections from employers for their share of their taxes of two billion three hundred eighty-six million, collected about 45 million in interest on the balance in our trust fund. There was a small adjustment, roughly a 17 million adjustment to correct some previous amounts from prior periods. We had unemployment benefit payments that total just over 1.9 billion for the year, and that left us a balance in the trust fund this coming October 1<sup>st</sup> of just about two billion 188 million. That 2.1, 2.2 billion almost, is about a billion dollars over the floor amount, so we're in a good position as far as the trust fund goes for this year.

Also, I'll give you a quick review of our Employment Training Investment Assessment account. That balance in that fund, part of the year last year, with a balance of 172 million, collected about 113 million. And then for the Skills Appropriation, we can take that into account of almost 45 million. That's going to leave a balance in the ETI Holding Fund of about 240 million this year.

So all in all, the balances are looking very good for those two funds.

I'll share some recent trends with you. On our weekly total benefit payments the last six weeks – this is September 7<sup>th</sup>, week ending – we averaged about 39 and a half million. That was about 8% above the one year-ago average of weekly benefit payments, so that is up a little. Unemployment initial claims, we're averaging about 12,000, up about 6.7% from the one year-ago average. And finally, the continued claims are averaging about



180,500, and that was about two and a half percent above the one year-ago average, our total for continuing claims.

And that concludes my presentation of the Unemployment Trust Fund this morning. If you have any questions or comments

Chairman Daniel

44:47

Thank you very much. Questions? Mr. Alvarez?

Alvarez

44:48

No questions.

Chairman Daniel

44:49

Mr. Demerson?

Demerson

44:50

No.

Randy Townsend

44:51

Thank you very much.

Chairman Daniel

44:53

Alright. Let's move to Item 9. This is the special consideration of possible action regarding an order to adopt. Revised and corrected program year 2019, fiscal year 2020. Funding allocations to local workforce development areas for the Workforce Innovation Opportunity Act adult use and dislocated worker programs.

Randy Townsend

45:12

Again, good morning, Commissioner Chairman Daniel, and Commissioners Alvarez and Demerson, and for the record, Randy Townsend, Chief Financial Officer. This morning, we have two revisions and, as you mentioned, the correction for a dislocated worker. I'm looking at Page 1 on the right hand, of the total packet --- we've made the revisions to the entire packet where it was appropriate, where it was applicable. That's going to bring the WIOA adult revised amount to 55 million 206, 528. That's about 135 thousand increase from the previously adopted allocation for the WIOA adult. For the WIOA youth, that's what --- we're going to revise that allocation of available funds from the Department of Labor. These are additional funds that have been added from our Federal partner of



172,146, and that will bring the WIOA youth to 58 million 359,428. And then finally, on the corrected amount for dislocated worker, we are not propose ---- that is not proposing any addition to the revised amounts. It was a small amount. The State of Texas received about 35,000. However, in our review of the factors that drove this allocation, we determined that our insured unemployment factor, unfortunately, was --- we did not align the counties with the proper LWDA and so there were a few differences that needed to be corrected. So in your pack --- in the packet here, we're proposing to bring up those areas that were shorted by 192,660. Most of them are small amounts. The two areas that more --- a little bit more significant amounts were upper Rio, the Border Plex area, and then Heart of Texas. We will put in additional procedures to prevent that from reoccurring in the future years but we did feel like it was appropriate to correct that.

So that concludes my presentation this morning on revised allocation.

Chairman Daniel

47:03

Alright, thank you. Commissioner Alvarez, comments, questions?

Alvarez

No, Sir.

Chairman Daniel

47:07

Commissioner Demerson, any comments or questions?

Demerson

None here.

Chairman Daniel

47:09

Is there a motion?

Alvarez

47:10

Yes, Chairman. I move that we approve the revised and corrected allocations for program year 2019, and fiscal year 2020 funding allocations to local workforce development areas for WIOA adult, youth, and dislocated worker programs as described by staff.

Demerson

Second.

Chairman Daniel

I concur with the motion.

Chairman Daniel

47:28



Alright. Let's see ... Agenda item 10. Consideration and possible action regarding the distribution of funds to local workforce development areas to support Texas Rising Star mentors and assessors in **board** (47:46) contract year 2020.

Allison Wilson  
47:54

Good morning, Chairman \_\_\_ Commissioner Serna. For the record, Allison Wilson, Childcare and Early Learning Division.

Texas State Law requires TWC to make childcare and development fund dollars available to each board to hire Texas Rising Star mentors and assessors. Staff seeks direction on distributing Texas Rising Star mentor and assessor funding by applying an equal base funding amount of 150,000 for each board and distributing the remainder of the funds as follows:

- 50% based on the board's relative percentage of the total statewide of regulated providers.
- 25% based on the board's relative percentage of the total number of children under 13 living in families at or below 150% of the Federal poverty level. And
- 25% based on the board's relative percentage of the State's Texas Rising Star providers.

I'll be happy to answer any questions you may have.

Chairman Daniel  
48:44

Thank you. Commissioner Alvarez, any comments or questions?

Alvarez  
48:46

Yes. Chairman, I do have a comment, and I do have a question to Allison. Good morning, Ms. Wilson. How much in additional funds would it need --- would need to be allocated so that no board allocation of mentor / assessor decreases this year?

Wilson  
48:58

In order to level fund the boards, that would be an additional \$261,059.

Alvarez  
49:09

Thank you. That's the only question I have, Chairman.

Chairman Daniel



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Alright. Commissioner Demerson?

Demerson  
No questions.

Chairman Daniel  
49:15  
Alright. Is there a motion?

Speaker  
49:16  
With that said, Chairman, I move that we distribute --- we distribute the TRS mentor and assessor as recommended by staff. In the attached --- in the attached discussion paper, with the exception that the additional \$261 and 59 --- \$261,059 be allocated so that no board's funding is decreased from amount allocated last year.

Speaker  
Second.

Chairman Daniel  
49:46  
I concur with the motion.  
Alright. Let's see, that was 10. Let's move to agenda item 11. Discussion, consideration and possible action regarding a statewide initiative using childcare and development funds to support staff retention strategies.

Wilson  
50:09  
On June 14, 2018, the Commission directed that eight million dollars be made available for a collaborative matching grants. On March 19, 2019, the Commission provided guidance on the proposed uses of these funds, including the dedication of one million dollars to support staff retention strategies. For this initiative, the approved childcare staffer's retention strategy framework is aimed at the development of professional support with enhanced childcare provider work environments. Through strong program leadership, programs can be enhanced to create supportive work environments for early childhood teachers, which improves employee engagement and retention. As staff developed the parameters for a pilot collaborative matching grant project focused on staff retention strategies, staff members noted that a more comprehensive framework would benefit the project design. Staff seeks direction on increasing the childcare staff retention collaborative matching grant statewide initiative from one million to two million, with an approximate 30-month grant award period. The increased funding and longer award period will allow the inclusion of coaching, a program evaluation component, and the development of materials to facilitate replication of the project. Staff also seeks direction



on retaining the matching requirement at \$200,000 of the proposed two million initiative, or 10% of the new total.

Chairman Daniel

51:32

Alright. Commissioner Alvarez, comments or questions?

Alvarez

51:38

No, Sir.

Chairman Daniel

51:39

Commissioner Demerson, comments or questions?

Demerson

51:41

None here.

Chairman Daniel

51:42

Is there a motion?

Speaker

51:43

Yes, Chairman. I move that we increase childcare staff retention collaboration matching grant to two million, with a 30-month grant award period, and a 10% grant matching requirement as recommended by staff.

Speaker

51:55

Second.

Chairman Daniel

51:56

I concur with the motion.

Alright, item 12. Discussion, consideration and possible action regarding a statewide initiative using CCDF to support local workforce development board participation and a State Pre-K public / private partnership summit.

Wilson

52:11

The Childcare and Early Learning Division is working with the Texas Education Agency on the implementation of the prekindergarten provisions contained in House Bill 3 from



the 86<sup>th</sup> Texas Legislature. HB-3 allows for local education agencies to offer pre-K services through public / private partnerships, including through Texas Rising Star three- and four-star providers. To facilitate the development of public / private partnership, TWC and TEA are discussing training and coordination opportunities, and have identified an opportunity to leverage an event that Children at Risk in the United Way of Texas are developing. Children at Risk sought foundation funding to support a Texas Prekindergarten Partnership Summit that would take place in the Spring of 2020. The summit will be held in Houston and will be an opportunity for boards and lead education agencies to meet, learn about pre-K partnership models, and collaborate on opportunities to develop models locally. TWC funding would support the cost of boards' attendance. Travel amounts for each board will vary based on the number attending and the distance from the event. Staff seeks direction on providing approximately \$65,000 in funding to boards to support their attendance at the Texas Prekindergarten Partnership Summit in the Spring of 2020. Attendance would include four staff members from large boards, three staff members from medium boards, and two staff members from small boards. Additionally, funds would support attendance of one TRS three- or four-star program provider from each board area. The amount for each board would be finalized following the summit based on actual travel costs. Boards will be required to submit final travel costs to TWC, and TWC will increase each board childcare quality contract accordingly.

Chairman Daniel

54:02

Alright. Commissioner Alvarez, comments, questions?

Alvarez

54:04

No, Chairman.

Chairman Daniel

54:05

Commissioner Demerson?

Demerson

54:06

How many folks would that allow us to get there, roughly? And if you don't have the ...

Wilson

54:14

It's gonna put us around 100, I believe.

Speaker

Okay

Speaker





54:21

I have a comment, more of a question. Allison, what days are we looking at having this conference?

Wilson

54:27

We are looking at the last week of March because that gets us after Spring Break, and also before STAR testing begins because, of course, that affects our --- our education partners.

Chairman Daniel

54:45

Is there a motion?

Alvarez

54:47

Yes, Chairman. I move that we approve no more than \$65,000 to support an attendance by local workforce development boards to the Pre-Kindergarten Partnership Summit by reimbursing travel costs as outlined by staff.

Demerson

54:57

Second the motion.

Chairman Daniel

54:59

I concur with the motion.

Alright, item 13. Discussion, consideration, and possible action regarding a request to modify local workforce development area childcare allocations pursuant to 40 Texas Administrative Code, Section 800.51.

Wilson

55:18

Two local workforce development boards have requested that TWC exercise its authority as provided in TWC's Chapter 800 General Administration Rule, Section 800.51f, but notwithstanding any other provision of the rules, the level of funding allocated to a local workforce development area may be determined, modified, or reallocated to ensure full use of the funding in compliance with State and Federal requirements applicable to the State. The two board requests are as follows:

- The Greater Dallas Workforce Development Board requests a reduction in its workforce areas board contract year 2019 childcare allocation of --12 --- two



million, and an increase to its workforce areas BCY 20 childcare allocation of 12 million. I'm sorry, it's 12 million on both of those.

Chairman Daniel

56:10

Is it both times, 12 million?

Wilson

56:12

Yeah, yeah. I apologize. There's an extra space in there. The Dallas board assures full use of the funding during program year 2020.

- The North Central Texas Workforce Development Board requests a reduction in its workforce areas BCY 19 childcare allocation of 8.4 million, and an increase to its BCY 20 allocation of three million three hundred and sixty thousand, and an increase to its 21 childcare allocation of 5 thousand --- five million 40 thousand. The North Central Board assures full use of the funding during BCY 20 and BYC 21.

Staff seeks direction on approving the boards' requests and modify their workforce areas allocations as described. Staff also seeks direction on maintaining the current BCY 19 performance target.

Chairman Daniel

57:05

Commissioner Alvarez, comments or questions?

Alvarez

57:06

No, Sir.

Chairman Daniel

57:08

Commissioner Demerson?

Demerson

57:10

None here.

Chairman Daniel

57:11

Is there a motion?

Alvarez

57:12



Yes, Chairman. I move that we approve the boards' requests to modify their workforce areas allocations and maintain the current BCY 19 performance target as recommended by staff.

Demerson  
57:23  
Second.

Chairman Daniel  
57:24

I concur with the motion.

Item 14. Discussion, consideration, and possible action regarding establishing minimum thresholds for boards maximum childcare reimbursement rates.

Wilson  
57:39

Based on recent Federal actions regarding State reimbursement rates to ensure equal access to childcare services, staffers seeking direction on establishing minimal thresholds for local workforce boards reimbursement rates. Staff seeks direction on requiring boards to set their maximum reimbursement rate at or above the 30<sup>th</sup> percentile of the 2019 Market Rate Survey in compliance with Section 809.20a which requires that rates by equal access to childcare.

Chairman Daniel  
58:09  
Commissioner Alvarez, questions, comments?

Alvarez  
58:15  
No, Sir.

Chairman Daniel  
58:16  
Commissioner Demerson?

Demerson  
58:19  
No questions.

Chairman Daniel  
58:20  
Is there a motion.



Alvarez

58:21

Yes, Chairman. I move that we approve requiring boards to set their maximum reimbursement rate at or above 30th --- percentile of the 2019 Market Rate Survey as recommended by staff.

Demerson

58:34

Second.

Chairman Daniel

58:35

I concur with the motion. Thank you.

Item 15. Discussion, consideration, and possible action regarding local workforce development area performance expectations for board contract year 2020.

Leonard

58:48

Good morning, Commissioners. For the record, Adam Leonard, Director of Operational Insight. Over the last several weeks, I have briefed you and your offices on performance measure methodologies to be used, set targets for the upcoming BCY 20 contract year on a variety of measures, specifically eight measures for associated with our WIOA-based performance accountability methodology. One for choices, one associated with employers receiving workforce assistance claim re-employment within 10 weeks, and then the big one, are average children served per day in the CCDF childcare program. I am happy to answer any questions you may have about the --- the recommendations here. The document obviously has quite a bit of detail in it. One thing I will just note is that the methodology associated with childcare that's in here already accounted for the possibility that you would be approving the two previous actions relating to North Central and Dallas having their allocation changed, and then setting minimum levels around the reimbursement rates. We are already accounting for that within this, assuming that you would have approved it, and it not, we would have obviously gone in a slightly different direction. I'm happy to answer questions you may have about any this.

Chairman Daniel

1:00:08

Commissioner Alvarez, comments or questions?

Alvarez

1:00:12

No, just thanks for the clarification, Adam.



Chairman Daniel

1:00:14

Commissioner Demerson?

Demerson

1:00:16

Thanks --- thanks for the briefings.

Chairman Daniel

1:00:18

Is there a motion, then?

Alvarez

1:00:20

Yes, Chairman. I move that we approve staff recommendations regarding target methodologies and utilize staff to apply these methodologies to said, for contract 2020 targets for the four WIOA based on participant measures. Choices for work rate, number of employer receiving workforce assistance, claim and re-employment within 10 weeks, and average kids served per day.

Demerson

1:00:44

Second the motion.

Chairman Daniel

1:00:45

I concur with the motion.

Leonard

Thank you.

Chairman Daniel

1:00:48

Thank you.

Item 16. Discussion, consideration, and possible action regarding new certification and recertification of community rehabilitation programs to participate in the Purchasing from People with Disabilities State Use Program.

Moore

1:01:06

Good morning to you, Commissioners, Mr. Serna. For the record, my name is Kelvin Moore, Program Manager, Purchasing from People with Disabilities Program with the Texas Workforce Commission. We have before you agenda item 16, for the recertification of one community rehabilitation program. Goodwill San Antonio Contract Services. Staff



has reviewed all the materials presented by the CRP and in addition, we work with the central nonprofit agency to assess --- assess the material. Staff recommends recertification of this particular CRP. Are there any questions?

Chairman Daniel

1:01:42

Commissioner Alvarez, comments or questions?

Alvarez

1:01:43

No, Chairman.

Chairman Daniel

Commissioner Demerson?

1:01:45

Demerson

1:01:46

None here.

Chairman Daniel

Is there a motion?

1:01:47

Alvarez

1:01:48

Yes, Sir. I move that we approve the recertification of the community rehabilitation program as recommended by staff.

Demerson

1:01:53

Second.

Chairman Daniel

1:01:56

I concur with the motion.

Alright, this is item 17. Discussion, consideration, and possible action regarding approval of products offered by certified community rehabilitation programs under the Purchasing from People with Disabilities State Use Program.

Moore

1:02:07



Yes. For the record again, my name is Kelvin Moore, Program Manager, Purchasing from People with Disabilities Program at the Workforce Commission. We have before you agenda item 17, the listing of seven new products and 25 product price revisions that are being offered by three community rehabilitation programs through the State Use Work Wonders program. Product price revisions for Items 7 and 10 are postponed pending price research by staff. Staff is recommending approval of all products before you except for the price revisions Items 7 and 10. Do you have any questions?

Chairman Daniel

1:02:43

Commissioner Alvarez, comments, questions?

Alvarez

1:02:45

No, Sir.

Chairman Daniel

1:02:49

Commissioner Demerson.

Demerson

1:02:50

No questions.

Chairman Daniel

1:02:51

Is there a motion?

Alvarez

1:02:53

Yes, Chairman. I move that we approve the new products and price revisions except for those found on pages 7 and 10, presented by the community rehabilitation programs as recommended by staff.

Demerson

1:03:01

Second the motion.

Chairman Daniel

1:03:03

I concur with the motion.

This is item 18. Discussion, consideration, and possible action regarding approval of services offered by certified community rehabilitation programs under the Purchasing from People with Disabilities State Use Program.



Joseph

1:03:16

Good morning Chair Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the record, my name is Howard Joseph, Program Manager, Purchasing from People with Disabilities Program. I have before you agenda item 18 for the approval of services. In regard to services, there are 10 contracts completed under temporary authority, employing 64 individuals being paid above minimum wage. There are 52 new and renewal contracts employing 266 individuals being paid at or above minimal wage. There were three transferred contracts employing three individuals, all are paid above minimum wage. Staff recommends approval of all service contracts. I'll be happy to answer any questions.

Chairman Daniel

1:04:02

Alright. Commissioner Alvarez, comments or questions?

Alvarez

1:04:05

No, Chairman.

Chairman Daniel

1:04:06

Commissioner Demerson.

Demerson

1:04:07

None.

Chairman Daniel

1:04:08

Is there a motion?

Alvarez

1:04:09

Yes, Sir. I move that we approve the service contracts as recommended by staff.

Demerson

1:04:13

Second.

Chairman Daniel

1:04:14

I concur with the motion. Thank you.





Item 19. Discussion, consideration, and possible action regarding business enterprises of Texas Customer Satisfaction Survey, and cost analysis report to the Governor and Legislative Budget Board as provided in the General Appropriations Act for the 2018/2019 biennium. Article 6, Texas Workforce Commission Rider 39.

Speaker

1:04:35

Morning, Chairman.

Chairman Daniel

1:04:36

Morning.

Hooks

1:04:37

Commissioner Alvarez, Commissioner Demerson, Mr. Serna. For the records, I'm Mike Hooks with the VR Division. Today, I'm bringing up proposed action regarding the adoption of the 2019 Business Enterprises of Texas Customer Satisfaction Survey, and cost analysis report as required by Rider 39. In the past, we've conducted this survey during the months of August, July, and June, searching for the right time for --- allowing enough time to compile the results by the submission deadline and to get the most respondents. This year, we conducted it in May, and realized a substantial increase in both the number of respondents and the number of agencies reporting. It appears we found the sweet spot, the most productive month being May. Although most survey categories remain stable, survey response told us that they were slightly more satisfied with our overall value and product selection, the good news. They also responded that they were slightly less satisfied with our product pricing. Respondents once again reinforced the biggest competitor to our program in a State agency food service was a bagged lunch brought from home. The requested action today is that the report be adopted and Mr. Serna forward the report to the Office of the Governor and Legislative Budget Board as requested by Rider 39. Thanks for your consideration. Any questions?

Chairman Daniel

1:06:01

Thank you. Commissioner Alvarez, comments or questions?

Alvarez

1:06:04

I just want to state this is a really good report, Mr. Hooks. Thank you very much.

Chairman Daniel

1:06:09



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Commissioner Demerson?

Demerson

1:06:14

Just congrats on the increase in responses.

Chairman Daniel

1:06:17

Is there a motion?

Alvarez

1:06:19

Yes, Sir. I move that we approve Business Enterprises of Texas Customer Satisfaction Survey and cost analysis report 2019 for submission to the Governor and Legislative Budget Board as recommended by staff.

Demerson

1:06:29

Second.

Chairman Daniel

1:06:31

I concur with the motion.

Hooks

1:06:32

Thank you.

Chairman Daniel

1:06:33

Thank you.

Item 20. Discussion, consideration, and possible action regarding publication for public comment of proposed rules relating to unemployment insurance rules, employing units, common paymaster, 40 TAC Chapter 815, Unemployment Insurance, Subchapter C, Tax Provisions.

Jason Stalinsky

1:06:50

Good morning, Chairman Daniel.

Chairman Daniel

1:06:51

Good morning.



Jason Stalinsky

1:06:52

Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the record, I'm Jason Stalinsky, Unemployment Insurance Policy. On June 10<sup>th</sup> of 2019, the Governor signs in a Bill 2296, the Commission Legislative Initiative, which amends the definition of employing unit and the Texas Unemployment Compensation Act to include a common paymaster as defined in 26 US Code, Section 3306p. In the bill 2296, which takes effect January 1<sup>st</sup> of 2020, also requires the Commission to adopt rules necessary to implement this new provision. Properly implements in the Bill 2296, rules are necessary to define certain terms and set parameters for eligible related corporations seeking to establish an allowable common paymaster arrangement. Proposed rules responsive to the statutory requirement are behind Tab 20 in your notebooks. The proposed rules create a new section 815.117, Employing Units Common Paymaster, in Subchapter C, Acts Provisions of the Agency's Unemployment Insurance Rule. These proposed rules align with the Federal Unemployment Tax Act and its corresponding rules and regulations as practical. Included in the proposed rules are definitions for common paymaster, related corporations, and concurrent employment. These rules also address application procedures for the submission and approval of common paymaster relationship with the agency, the agency's method of allocating taxes, and how this new arrangement will affect claims for unemployment benefits. An additional objective of these rules is to reduce confusion concerning what constitutes an allowable common paymaster structure. To achieve this goal, the proposed rules also contain detailed examples illustrating the definitions of common paymaster, related corporations, and concurrent employment. Staff is seeking your direction on submitting these proposed rules to the Texas Register for a 30-day public comment period. If so directed, staff seeks approval to make any minor non-substantive changes, corrections to the document for purposes of publication in the Register. I'm here this morning as a resource to answer any questions.

Chairman Daniel

1:09:02

Thank you. Commissioner Alvarez, comments or questions?

Alvarez

1:09:03

No, Sir.

Chairman Daniel

1:09:04

Commissioner Demerson?

Demerson

1:09:05



Chairman Daniel  
1:09:07  
Is there a motion?

Speaker  
1:09:08  
I move that we publish the proposed rules to the Texas Register relating to common paymaster as recommended by staff.

Demerson  
1:09:15  
Second the motion.

Chairman Daniel  
1:09:16  
I concur with the motion.

I'm not showing anything for items 21 or 22. I think that's correct. Let's move to item 23. Discussion, consideration, and possible action regarding approval of local Workforce Development Board nominees.

Williams  
1:09:28  
Good morning, Commissioners ...

Chairman Daniel  
1:09:29  
Good morning.

Williams  
1:09:30  
... and Mr. Serna. I'm Shunta Williams with the Workforce Development Division. And before you for consideration and approval are Workforce Board nominees for Workforce Solutions Borderplex, Cameron County, Capitol area, South Texas, Tarrant County, Gulf Coast, Northeast Texas, Central Texas, West Central Texas, and Panhandle.

Chairman Daniel  
1:09:53  
Alright. Commissioner Alvarez, comments or questions?

Alvarez  
1:09:58



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No, Chairman.

Chairman Daniel  
1:09:59  
Commissioner Demerson?

Demerson  
1:09:60  
None here.

Chairman Daniel  
1:09:61  
Is there a motion?

Alvarez  
1:10:03  
I move that we approve the board nominees for Borderplex, Cameron County, Capitol area, South Texas, Tarrant County, Gulf Coast, Northeast Texas, Central Texas, West Texas, and the Panhandle area.

Demerson  
1:10:15  
Second the motion.

Chairman Daniel  
1:10:16  
I concur with the motion.  
Williams  
1:10:17  
Thank you.

Chairman Daniel  
1:10:18  
Thank you.

I have a note to myself to ask you if you had anything to report but since you walked up here, I guessing I know the answer to that question.

McCardy  
1:10:31  
I just --- I thought I would use the mike this time.

Chairman Daniel  
1:10:35



McCardy

1:10:36

Yes, Sir. Good morning, Chairman Daniel, Commissioner Alvarez, Commissioner Demerson. Tom McCardy with the External Relations Division. Last week, the US House passed HR 3478. This is the vehicle they're using for the continuing resolution to fund the Federal Government. It will fund the Federal Government through November 21<sup>st</sup>. The Senate is expected to take that up this week. I just this morning ---- the US Senate Health, Education and Labor Pensions Committee approved the nomination of Eugene Scalia for the Secretary of Labor so that will go before the full US Senate in the near future, for their consideration. That's everything I have, and I'm available if you have any questions.

Chairman Daniel

1:11:15

Thank you. Commissioner Alvarez?

Alvarez

1:11:16

No, Sir.

Chairman Daniel

1:11:17

Commissioner Demerson?

Demerson

1:11:18

No.

Chairman Daniel

1:11:19

Thank you.

McCardy

1:11:20

Thank you.

Chairman Daniel

1:11:21

Mr. Serna, do you have anything to report today?

Serna

1:11:22



Two very quick things, and then I'd like Clay Cole to come up and talk about something real quick.

Very quickly, I wanted to make sure that --- and I'm sure you all know because you were there --- we had a very successful apprenticeship conference down in San Antonio. I think Desi and her crew did a really good job coordinating and putting it altogether, and I want to express my appreciation for y'all's support for that conference. I got a lot of good feedback from a lot of the participants.

And then second, I'm a little remiss in that this --- this --- I got this news back in August but we haven't really had this opportunity. We were notified by Department of Labor that our --- our regulatory integrity group, our BAM group – the Benefit Accuracy Measurement group – participated in a peer review with 26 other states and one territory. That review is to ensure that the processes that all the states use and the regions use are consistent. The feedback that we got from the Regional Director was, "I am pleased to report that Texas's selection of cases yielded no identified problems." This is evidence that the agency is administering a quality BAM program. No response is qualified ---- is required. He is just letting us know that we're doing a good job with regard to --- to our BAM program. And then also, with regard to our improper payments calculation --- not calculation but measure which is in the BAM area, our regional offices preliminary --- DOL's regional office preliminary examination of data for last year --- the last program year, is that our payment rate is the fourth best in the --- in the nation --- not payment rate, but preventing improper payments, is the fourth best in the nation at 4.386%, that we were beat out by Vermont, Georgia, and Utah. We'll be targeting them to do better than them the next time around. So that's ....

Chairman Daniel

1:13:17

You took the words right out of my mouth.

Serna

1:13:20

I anticipated that. But, I wanted to make sure that you knew about the efforts in our --- in our RID division and UI, because that ---- this last thing was both a joint effort. With that, I gonna let Clay talk about one last thing.

Cole

1:13:31

Good morning, Chairman Daniel.

Chairman Daniel

1:13:33

Good morning.



Cole

1:13:35

Commissioner Alvarez, Commissioner Demerson, Mr. Serna. For the record, Clay Cole, Unemployment Insurance. I just want to give you a brief update relating to changes in the weekly unemployment insurance benefit amounts that affect claimants that file initial claims on or after October 6, 2019. This has no effect on existing claims, only new claims with initial claim date of October 6<sup>th</sup> and later. As you may recall, in accordance with statute, specifically House Bill 567, every year a calculation is done by the Labor Market Information Department to determine whether there will be any change to the unemployment insurance weekly minimum, and maximum benefit amounts. This year, the Labor Market Information has completed those calculations and determined that based on the increase in the Annual Average Wage --- Weekly Wage from covered employment, which was 1,065 last year, and this year is now 1,103, there will now be a resulting increase in the unemployment weekly benefit amounts for claimants. The exact calculations that the maximum weekly benefit amount is 47.6% of the Average Weekly Wage, and the minimum is 7.6% of the Average Weekly Wage. But in House Bill 2273, there is a tolerance set that the Maximum Weekly Benefit Amount increase cannot exceed \$14, and that the tolerance from the minimum can't exceed \$1. So, taking all this into account, the actual changes that will go into play as of October 6<sup>th</sup> is that the maximum weekly benefit amount will increase from \$507 to \$521, and the minimum will increase from \$68 to \$69, effective, again, starting October 6<sup>th</sup>. So this does not affect existing claims. And this concludes my updates. Do you have any questions?

Chairman Daniel

1:15:29

Commissioner Alvarez, questions?

Alvarez

1:15:32

No.

Chairman Daniel

1:15:33

Commissioner Demerson?

Demerson

1:15:34

Is that information going to be communicated out, and is there a plan here?

Cole

1:15:38

Yeah, that's a good question. And this will be --- we'll follow this up with our program letter, our benefits letter that will go out to you and your staff.





Chairman Daniel  
1:15:48  
Alright. Thank you very much.

Cole  
1:15:49  
You're welcome. Thank you.

Chairman Daniel  
1:15:51  
Mr. Serna?

Serna  
1:15:52  
No, Sir. I have nothing else, thank you.

Chairman Daniel  
1:15:53  
Nothing else. The time is now 10:14. The Texas Workforce Commission is now going into Executive Session to discuss the appointment, employment evaluation reassignment duties, discipline, or dismissal. The executive director, internal auditor, executive staff or other personnel pursuant to Texas Government Code Section 551.074a1.

## EXECUTIVE SESSION

Chairman Daniel  
1:27:06

The executive session has now concluded. The time is 10:26. Alright. Is there any other order of business? Commissioner Alvarez?

Alvarez  
1:27:18  
No, Sir.

Chairman Daniel  
1:27:19  
Commissioner Demerson?  
Demerson  
1:27:20  
None here.

Chairman Daniel



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1:27:22

Is there a motion to adjourn?

Alvarez

1:27:23

Yes, Chairman. I move that we adjourn.

Demerson

1:27:24

Second.

Chairman Daniel

1:27:25

And I concur with the motion. Thank you.