



**MEETING OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**JULY 6, 2021**

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TUESDAY, JULY 6, 2021

UNIDENTIFIED SPEAKER: Ma'am?

CHAIRMAN DANIEL: Good morning, this meeting is called to order. Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: Good morning, commissioners. Les Trobman, general counsel. We do have one person who will provide public comments at the outset this morning. The remainder of commenters on the--will present during the BET item, which is a little later on in our policy meeting. So, for our public comment session, we have Jacqueline Jackson. Ms. Jackson, go ahead and unmute yourself and introduce yourself for the record, and begin.

MS. JACKSON: Yes, good morning. My name is Jacqueline Jackson. I live in Dallas, Texas, and I am speaking on behalf of a lot of complainants that I have noticed have happened with unemployment claims, and I would like to kind of, like, bring this to everyone's attention so that maybe it can be brought up in another meeting or it can be taken care of, if it's not already being looked at. Can I give you a little bit of what I'm seeing happening, and what have happened to a lot of our claims?

MR. TROBMAN: Yes, please proceed.

MS. JACKSON: Okay. Well, back in December of last year, when the extension for the unemployment PEUC was

1 being held up for a few days, and former President Trump went on  
2 and signed it, and I believe it was December the 27 or 28, a lot  
3 of us was on PEUC and had not applied for any other benefits.  
4 We're just sitting there waiting for the extension. And the  
5 system, the beginning of January, after the bill was signed, it  
6 did not allow a lot of us to receive 11 weeks of the additional  
7 benefits that was signed into law in 2020. It actually put a lot  
8 of people into the EB, which is the state benefit, which was  
9 okay at the time, because I was told that the system would  
10 automatically, once you exhaust all your extended benefits,  
11 would automatically take you back to the PEUC, which it did. And  
12 a lot of us received the additional weeks plus the new weeks  
13 that was signed in law March 2021. Here's the problem I see from  
14 talking to a lot of people in the unemployment world, is that  
15 because now the PEUC benefits has ended as of June the 26, they  
16 have already received the extended benefits, not of our choice,  
17 but of the choice of the system for not adding the 11 weeks that  
18 was in law before January the 1. So, now people are at the point  
19 where if you received it anywhere between January the 1 and  
20 maybe the first or second week in January, they can no longer  
21 receive the state extended benefits, which a lot of unemployed  
22 people are now being placed on. So, my concern, I'm speaking out  
23 on our behalf, a lot of our behalf, is that I believe it may  
24 have been a system problem at the time, because the new 11 weeks  
25 was signed so much later than what we was expecting it to be,

1 that the system automatically did not want us to not receive  
2 payments, or just switched over. But that problem I called in  
3 about so many times in January of 2021, and I was told hey,  
4 it'll work itself out. Which like I did mention early, it did,  
5 but here's the problem--the people are not gonna get EB now  
6 that's eligible for it unless something in the system fixed and  
7 say hey, no, we should have never been moved from PEUC, because  
8 the 11 weeks was in place. So, I just wanted to bring that to  
9 the attention of everyone, to let you know that a lot of folks'  
10 claims are just sitting there because of the fact they had  
11 received the EB. So, that's what I just wanted to let everyone  
12 know, that I'm hearing it from a lot of people. And thank you  
13 all for listening to me.

14 MR. TROBMAN: Thank you, Ms. Jackson. Again,  
15 we'll hear from the remainder of our commenters on item number  
16 8, and that's what we have. Thanks.

17 CHAIRMAN DANIEL: All right, thank you, Mr.  
18 Trobman. Morning, Ms. Miller.

19 CHAIRMAN DANIEL: Thank you very much. Let's  
20 take about a three-minute break while we reset for the rest of  
21 the meeting. All right, let's start back with item 8,  
22 methodology for Business Enterprises of Texas federal Randolph  
23 Sheppard financial relief and restoration.

24 MR. HOOKS: Thanks. Today I have for your  
25 discussion, consideration, and possible action regarding the

1 Business Enterprises of Texas federal Randolph Sheppard  
2 financial relief and restoration funding distribution  
3 methodology. Congress has appropriated \$20 million under the  
4 Consolidated Appropriations Act of 2021 to make one-time  
5 financial relief and restoration grants to state licensing  
6 agencies in Texas--that would be TWC--consistent with the  
7 purposes of the Randolph Sheppard Act. The FRRP funds, as  
8 they're called, are to offset [sounds like] blind vendor--in  
9 Texas, we call them license managers--but to offset license  
10 managers' losses that occurred during calendar year 2020, if  
11 those losses were not otherwise compensated. And also, for the  
12 set-aside purposes authorized by the code of federal  
13 regulations, but only if any funds remain after offsetting the  
14 losses of license managers during calendar year 2020. Our intent  
15 is to distribute all of the available funds to the managers  
16 under either option that I'll present to you. So, there will be  
17 none of the use for other set-aside purposes. During January  
18 through June of 2021, the Rehab Service Administration, or RSA,  
19 issued guidance through policy advisories and answers to  
20 questions posed by agencies administering the Randolph Sheppard  
21 program and stakeholders, including the amount of FRRP funds  
22 that Texas would receive, which is 1.243 million and a dollar.  
23 That the approval of documentation outlining losses and the  
24 methodology for distributing FRRP to BET license managers is  
25 required prior to receiving the funds from Texas. They also

1 issued forms for states to document assurances that they would  
2 comply with the conditions listed for the distribution of the  
3 federal funds and the proposed methodology for their  
4 distribution and use. Clarification that if a manager was  
5 already receiving a certain benefit before the losses were  
6 incurred, that it should not be considered prior compensation  
7 for the loss. Also, that if a license manager received a benefit  
8 after the loss was incurred, whether that benefit should be  
9 considered compensation should be determined on a case-by-case  
10 basis, depending on the benefit, the connection to the losses,  
11 and any other relevant circumstances. In regard to prior  
12 compensation, for a five-month period from April through August  
13 of 2020, BET license managers that reported monthly income less  
14 than \$2,720 received an emergency income replacement, or IRP, as  
15 I'll refer to them, payment in the form of a cash payment of  
16 \$3,000 per month. On August 25 of 2020, TWC's three-member  
17 commission approved destination distribution of non-federal  
18 funds to replenish the BET trust fund, which was the original  
19 source for funding for the first three months, and also to  
20 extend the IRP benefit for two additional months. As a result,  
21 all five months of the BEP IRP benefit were paid from non-  
22 federal funds. Additionally, the IRP was not a benefit that was  
23 in place prior to COVID, such as Social Security disability  
24 insurance, paycheck protection program, unemployment insurance,  
25 and a litany of other types of benefits. The TWC IRP was not

1 insurance. It was not a loan, it was not a prior benefit, it was  
2 not paid from BET funds, and was directly related to the COVID-  
3 19 losses experienced by license managers, and was considered on  
4 a case-by-case basis as to how the benefit was distributed.  
5 Therefore, the 2020 TWC IRP benefit aligns with the  
6 interpretation of the term otherwise compensated, as provided by  
7 RSA. Over the last three months, BET staff have worked with the  
8 elected committee of managers--I've mentioned them here before,  
9 they're the federally mandated group that participates in  
10 active--in major administrative decisions made by the program  
11 that affect the overall operation of the program. But BET staff  
12 has worked with the elected committee of managers, or ECM, to  
13 prepare a proposed methodology for three items--documentation of  
14 the losses that were incurred by managers, as required by RSA;  
15 declaration of loss replacement funds received as prior  
16 compensation, as RSA says to consider; and the process for the  
17 distribution of the funds. The ECM and BET staff agreed upon a  
18 method for documenting losses, and the process for the  
19 distribution of the funds. As stated earlier, RSA guidance notes  
20 that prior compensation may be considered and provides guidance  
21 as to what compensation may qualify. After careful consideration  
22 of the RSA guidance I presented to you today as to what  
23 qualifies as prior compensation, staff recommends option one,  
24 which I'll explain here in a minute. There's two options before  
25 you today. Option one, which considers the 2020 TWC IRP as prior

1 compensation. Under this option, 86 managers--and that is eight  
2 less than would receive our FRRP funds utilizing the option that  
3 the elected committee of managers takes the position is correct-  
4 -option one pays eight less than option two. However, the 86  
5 managers that will receive funding from FRRP will receive an  
6 amount equal to 34.34 percent of their total losses in 2020. I  
7 might add that the [inaudible] managers that will not receive  
8 FRRP funds under option one recovered all of their 2020 reported  
9 losses and more through the TWC IRP that was paid out in 2020.  
10 In fact, in between \$1,452 and \$13,747 more than their loses.  
11 The elected committee of managers takes the position that the  
12 IRP payments made by TWC should not be considered, and that's  
13 perfectly legitimate. There is no requirement either way. That's  
14 why there's two options. This option is number two, for  
15 consideration by the commission. Under this option, 92 managers-  
16 -eight more than option one--would receive FRRP funds. The 92  
17 managers receiving FRRP funds would receive 25.83 percent of  
18 their 2020 losses. The reason for the drop of 5.81 percent is  
19 because the money would be distributed over a larger group;  
20 eight more, in fact. The eight additional license managers that  
21 would receive FRRP funds are the eight I described to you just a  
22 minute ago. I can provide an overview of the formulas for--if  
23 you wish. The only differences between option one that considers  
24 the IRP in 2020 and option two that doesn't is the consideration  
25 of that IRP, the number of license managers receiving FRRP



1 funds, and the percentage that the majority will receive, as  
2 I've just described to you. So, staff is seeking direction on  
3 the selection of option one as the methodology by which FRRP  
4 funds would be distributed to eligible license managers.

5 Additionally, staff seeks direction on approval to submit the  
6 FRRP application to RSA using the selected methodology. I'm  
7 certainly open to any questions you may have.

8 CHAIRMAN DANIEL: Questions or comments? I  
9 understand we have some public comment here as well.

10 MR. TROBMAN: Commissioners, we have several  
11 folks who are here signed in to provide comments. I'll call them  
12 up individually, if they'll introduce themselves for the record  
13 and begin to offer their comments, with a three-minute  
14 limitation on comments. First, we have Mike Sparks.

15 MR. SPARKS: Okay, we're on? Okay, good  
16 morning, everybody. My name is Mike Sparks. I am the elected  
17 committee chair of our program reporting approximately 105  
18 managers, I believe, we have in the program right now. And the  
19 three minutes I have today is not very much time to go through  
20 what has taken place here, so I'm just gonna cut to the chase  
21 here. I believe Mr. Hooks has had a lot more opportunity to talk  
22 to staffers and the commissioners here that I haven't had the  
23 opportunity. This is my only opportunity--three minutes. Just in  
24 that, I don't believe is very fair. But what has happened here  
25 is yes, we did work on the plan, as required, from RSA, with our

1 state licensing agency. We put a lot of work into that plan. Our  
2 vice chair, Mr. Chepey, is here today with his wife, and they  
3 spent lots of hours on spreadsheets and digging into this thing  
4 to try to come up with a plan that would satisfy the managers,  
5 the SLA, and keep us in compliance with the guidance that RSA  
6 provided for us. So, we did work on that. We did have active  
7 participation in that. What I'm about to say now is after we  
8 decided with the SLA, who agreed that we would not go with what  
9 Mr. Hooks describes as option number one, and we would consider  
10 those other eight managers, we wanted to get everybody that we  
11 could in this plan, to help them. Some people received anywhere  
12 from 3,000 to \$15,000 income, and that's good, that's good. That  
13 money's come, and it's gone. That was 2000. It's been gone. If I  
14 had the opportunity to speak in a big part of the briefings that  
15 the commissioners and the staffers already had, I would have  
16 been able to tell you things that's been happening during this  
17 time, this long wait time that we have had. You know, things  
18 like managers who can't afford their diabetic medicine. Managers  
19 who have had to sell their vehicles to make bills, to pay bills.  
20 These kind of things have been going on since the COVID, and  
21 some of it over the last three months, as we are hopefully  
22 getting to prepare to submit the plan to RSA so that we can move  
23 forward. We have managers that need the money now, okay? So,  
24 what I'm saying is we didn't--after we had agreed on a plan with  
25 our director, we were all ready to--with option number two that

1 Mr. Hooks described. All of a sudden, you know, okay, we have  
2 to--our director told us that everything had to go through upper  
3 management. And from that point, this committee had no active  
4 participation. I do not know who the staffers were that Mr.  
5 Hooks spoke to. I don't know, I wasn't there. I didn't have a  
6 say-so. We were informed of this change January--July the 2.  
7 This Friday, this past Friday. Didn't give us any time to come  
8 up with something else, to work on some other way that we could  
9 make sure these eight people were getting included in this plan.  
10 That's why we're here today. And I'm asking the commissioners to  
11 reject option one, and have our SLA stick to the agreement that  
12 we already had. There are several states already--the majority  
13 of states have had extra income given to some of their managers  
14 from their states, and there was no problem. There was no  
15 problem. They were approved. Many of those states' managers have  
16 their money in their hand now, and we have been waiting three  
17 months. Three months. Staffers were talked to by the SLA, and  
18 all this time, we were just setting there, waiting. We were told  
19 that the commissioners--the commissioners, Mr. Commissioners  
20 that are here today, had briefings on this. I wasn't a part of  
21 that. I was not a part of that. Nobody on the committee was a  
22 part of that. We had no say-so. We get the word Friday that the  
23 SLA is going back on our agreement, is the way I look at it. And  
24 of course, there's two plans here that we're looking at today,  
25 two options, and again, I'm asking that the committee--that the

1 commissioners reject option one. I'm sure our vice chair, and we  
2 have some other callers that wanna get into it, and I'm not sure  
3 if I'm being past my three minutes or not. But--so, please  
4 reject option number one, make our SLA stick to the agreement  
5 that we had all this time, so that we can submit this plan to  
6 RSA so that we can put money back in the hands of people who  
7 need it now. And with that, I'll yield my time. Thank you.

8 MR. TROBMAN: Our next speaker is also  
9 present today. Tom Chapee [SP].

10 MR. CHEPEY: Good morning, thank y'all for  
11 allowing me this opportunity to address the commissioners. My  
12 name is Tom Chepey, I'm the owner-operator of the Chuckwagon  
13 Café and Chuckwagon To-Go [inaudible] entrepreneur. Also known  
14 with TWC as a license manager. So, number one, I'm asking y'all  
15 to oppose option number one. The funding, the emergency funding  
16 from last year that came from TWC through the BET, that funding  
17 was originally from a retirement fund that was left in a trust.  
18 And the FRRP funds are part of a federal grant throughout--as  
19 Mr. Hooks has stated--through all the 50 states, for all the  
20 Randolph Sheppard vendors. Now, this grant money has no bearing  
21 on any of the funding from 2020 that was paid out. So, with the  
22 FAQs that was put out from Randolph Sheppard Act, yes, as Mr.  
23 Hooks stated, it could be considered, but once again, it has no  
24 bearing at all. So, that's why the elected committee of  
25 managers, with a lot of the help from my wife and discussion

1 with a lot of the other managers throughout the state, we did  
2 everything we possibly could to make sure we--everybody that  
3 could be included was included. So, that's why our plan had the  
4 additional eight managers in there. Yes, of course, you know, we  
5 would receive a little less, but 25 percent of our losses and  
6 we're all gonna be reimbursed only a little over 25 percent of  
7 our losses, and that's fine. It's better than nothing. We're all  
8 trying to get back to work. So, you know, I really implore y'all  
9 to choose what the elected committee and the SLA, had we agreed  
10 upon back in April. So, thank you for that time, and I  
11 appreciate it.

12 MR. TROBMAN: When I call your name, if you  
13 go ahead and unmute yourself, and introduce yourself for the  
14 record. First, Barbie Pacheco.

15 MS. PACHECO: Okay. Hi, my name is Barbie  
16 Pacheco. I do prison vending in Gatesville, Texas. So, I want to  
17 say not to vote for option one, because there are still managers  
18 that are not gonna be open with their state cafeterias, such as,  
19 like, Brown Heatley building, until September. And I opened  
20 about a month and a half ago, and the visitation that we've had  
21 is only about 20 to 25 percent of what it used to be, because  
22 there's virtual visitation going on. So, no visitors are coming,  
23 and the money that we would lose if you--if you chose option  
24 one, everybody would lose money that we need to survive until  
25 business picks back up. Especially those in the cafeteria

1 business that are just waiting on pins and needles for their  
2 cafeterias to open fully. And one of the individuals that's not  
3 gonna receive the funds, if you choose that option one, is a  
4 blind lady that is in a wheelchair. And if you chose option one,  
5 that particular lady will not get a dime of the government money  
6 that was decided on with the previous administration. That's how  
7 long we've been waiting for this money, since, you know, Donald  
8 Trump was president. And they agreed upon this--on this formula,  
9 like I said, three months ago, and then on Friday, somebody  
10 decided to include the financial assistance we received for five  
11 months last year, and there wasn't any time for the managers to  
12 get together and, you know, protest what was kinda thrown at us  
13 without any clue. So, my whole thing is do not vote for option  
14 one, because it will harm so many managers, and we need to get  
15 back to work and get back to normal. And with that, I yield my  
16 time.

17 MR. TROBMAN: Thank you. We have Karla  
18 Martinez.

19 MS. MARTINEZ: Good morning, everybody.  
20 Thank you so much for the opportunity to speak, and thanks  
21 everybody that has spoken. The matter of the fact here is that  
22 if you, commissioners, support option number one, that will  
23 affect the most affected business enterprises of Texas managers.  
24 They are the people that make the least income in the program.  
25 And they are going to continue being affected, or not being

1 helped, because we got these funds. These funds were really  
2 helpful, the assistance that came from our retirement plan were  
3 very helpful, but you all know that in most parts of Texas, you  
4 cannot live on \$3,000 in a month. And although there were, you  
5 know, different assistance programs and all that, we lost a lot  
6 of inventory, sales, we still have to pay mortgages and all  
7 that. To be honest with you, these [inaudible] option one  
8 benefits me more, but I am here thinking on the people that  
9 actually, as I said, make the least profit in the program. And I  
10 do believe that we all need to think on these people, because as  
11 I said, I know that there's people that have lost their houses,  
12 or are losing--selling cars so they can survive. I really urge  
13 you and ask you to please reject option number one, and also to  
14 expedite the solution of this process so managers can have money  
15 to survive, to reopen their businesses, and to be able to  
16 purchase the stuff that they're gonna need to restock their  
17 inventory. We have an inventory assistance plan, yes, that's  
18 true, but the technicalities of it make it so ambiguous that we  
19 are still gonna have to put money from our pockets to reopen.  
20 That's gonna be hell, but it's not gonna be what we need to--  
21 with fresh products or refrigerated products and all that to  
22 reopen. So, everybody needs some help. So, please reject option  
23 number one, and put your hand on your heart and try to help  
24 these managers that are less favored and that make less profit,  
25 so they can continue on with their career. It's hard for a blind

1 individual in the job market to be able to find an opportunity  
2 to work and be productive. So, please help us so we can continue  
3 with our opportunity of being successful blind entrepreneurs. I  
4 yield my time.

5 MR. TROBMAN: Thank you. Next, we have  
6 Ashley Ni Cole Edwards. Ms. Edwards? Next, we have Aloha Cook.

7 MS. COOK: Yes, my name is Aloha Cook. I am  
8 a blind manager who operates the post office in Austin, Texas. I  
9 am here to ask--or to also oppose option one. As Ms. Martinez  
10 said, eight of those managers are some of our lowest-income  
11 managers that we have in this program. Every one of us needs  
12 this money. I am getting probably part of the least of it, which  
13 is fine; I understand that. I had the opportunity to at least  
14 keep working. Our managers, at least 90 of them or more, were  
15 out of a job for a year to a year and a half, and I am not  
16 trying to be disrespectful in any form or fashion, and I hope  
17 you don't take it this way. This state got to stay at home and  
18 work. They got paid. When you closed down the state, you closed  
19 down our cafeterias. When you closed down the federal buildings,  
20 you closed down our cafeterias. Our prisons were closed down.  
21 You took a lot of income from managers. It was not y'all's  
22 fault, it's all due to COVID-19, and I understand that. But  
23 these managers who went a year and a half, and some of them are  
24 still not back working, deserve this money. It's a federal grant  
25 that was supposed to be given to the blind managers or blind



1 vendors to help recoup what they lost in this year and a half  
2 that they were not allowed to work, while state and federal  
3 employees got to stay home and work and get paid, while we  
4 didn't. So please, listen to your heart and do the right thing,  
5 and oppose option one. Thank you, I yield my time, and have a  
6 great day.

7 MR. TROBMAN: Thank you. Sean Wright.

8 MR. WRIGHT: Hello?

9 MR. TROBMAN: Hi, go ahead.

10 MR. WRIGHT: Hi, this is Sean Wright,  
11 Liftoff Café at the Johnson Space Center in Houston, Texas. I'll  
12 just reiterate some of the things that they've kind of already  
13 said. I am one of the--I'm pretty sure I'm one of the managers  
14 who will not receive the money. It's just briefly, I'll touch on  
15 the whole railroad aspect of this whole thing, of, like, the  
16 last minute, we're gonna switch it. We're gonna switch, and then  
17 everyone gets in a panic, and it's kinda like oh, well, maybe  
18 they'll [inaudible] and not get their crap together, and  
19 actually come and defend themselves, and we'll schedule it at  
20 9:00 a.m. while I'm sitting here with customers that I'm trying  
21 to serve, while I'm doing this with an earpiece in, and walking  
22 around trying to figure out Zoom. It's all pretty nefarious, is  
23 the word I would use. But moving on, I would say that I--it's  
24 not--I don't--it's not gonna hurt--it's gonna hurt everyone  
25 involved. I mean, I don't have the--I'm not using the money for

1 anything other than to grow my business, and that is tax dollars  
2 in the government's pocket, and that's set-aside fees back into  
3 the BET money pot. I mean, it's just--so, I'm--when I started  
4 this thing, quit my job, get through the class, send me to  
5 Houston, and it went and I'm, you know, yeah, cool, let's do it,  
6 let's get after it, let's do this. Positive attitude the whole  
7 time. Three months later, COVID hits, and I lose my job for six  
8 months. And sure, yeah, we got money, we used it, we lived, and  
9 we got to live and tons of inventory gets thrown out, and you  
10 know, you just kinda keep rolling with the punches. But this  
11 whole thing is just--I mean, I don't know, I--I think you guys  
12 know what to do, you know? It doesn't seem anything but  
13 incredibly obvious. But you know, I think when dollar signs get  
14 start throwing around [sic] people go a little nuts and forget  
15 their heart, forget what's right. You're not talking to a bunch  
16 of people who are bums. These are--I'm certainly not. I walked a  
17 mile and a half in the rain this morning to get to work, and I  
18 do it a lot. And I walk a mile and a half home, in the  
19 sweltering Houston heat. Got to change my clothes when I get  
20 home. Got to bring an extra pair of clothes to get up here, so  
21 [inaudible] sweat out the first pair or have to change them  
22 because I don't have transportation to get up here. You know,  
23 I'm not a bum. I'm not asking for a handout. I work my ass off.  
24 All right, I yield my time. Vote against option one, please.

25

1 MR. TROBMAN: Thank you. Gregory Stavinoha.  
2 Gregory Stavinoha? Sophie Sparks?

3 MS. SPARKS: Hello. Thank you for allowing  
4 me to speak. My name is Sophia Sparks. I am a license manager  
5 and a former member of the ECM board. And I was an ECM member  
6 during the time that the ECM worked with the state licensing  
7 agency in order to derive FRRP calculation, the equation. We  
8 also did a lot of adjustments to this calculation in order to  
9 achieve a product that both the committee and the state agreed  
10 upon, and that agreement did not include the IRP. While I  
11 understand the opposing views of others, I disagree with the  
12 method in which the opinion is being voiced. The federal law  
13 dictates that all program decisions are to include the  
14 participation of the ECM. As a former director of this program,  
15 Michael Hooks understands this aspect of the federal law. For  
16 Mr. Hooks to voice this recommendation in this venue which  
17 counters what the current director and ECM discussed and agreed  
18 upon without discussing this point and allowing the lawful  
19 process to occur is my opposition. I ask the commissioners to  
20 uphold the FRRP calculations determined by the ECM and current  
21 director, per the federal law, and vote for option two. I yield  
22 back my time.

23 MR. TROBMAN: Thank you. La Roi Fier. La Roi  
24 Fier? We'll return back to you. Ashley Ni Cole Edwards, who I  
25 understand is on the line?

1 MS. EDWARDS: Good morning. My name is  
2 Ashley Edwards. I am in Houston, Texas, at the Bob Casey  
3 Courthouse. I represent two of the managers that will be  
4 affected by the choice and selection of option one, and removing  
5 those people has a direct effect on their life, their  
6 livelihood, and so many other people in this program. We are  
7 here to help each other out. As the bible states, I am my  
8 brother's keeper. If y'all move forward and side with the SLA in  
9 making the decision to allow them to remove those additional  
10 eight managers, it has more than just a financial effect on  
11 them. It has an effect on the program, because several of them  
12 have stated without that additional income, they will  
13 potentially quit this program. This whole thing with the FRRP is  
14 for restoration. In order to restore someone to whole, you have  
15 to give them more than just 15,000. I don't think any person in  
16 the state of Texas can survive off of 15,000, 12,000, 10,000,  
17 any variant of it. If we don't allow these additional managers  
18 to receive these funds, some of them will be losing their  
19 housing, some of them will not be able to pay for their medical  
20 expenses, and we all have decided as an ECM collective that we  
21 feel like those people should be entitled to the money. They  
22 should be entitled to those funds. We have made a decision, and  
23 as far as our disabilities go, I don't think any of those have  
24 been rated as incompetent. We have made our decision, we stand  
25 by our decision. Ms. [inaudible] has made that decision and she

1 agreed with us initially. Now she's waning, and choosing to side  
2 with what the SLA says, and that doesn't work for us. Y'all are  
3 a participating party with us. Y'all are to be accompanying us  
4 in this program. If it was not for us, you would not have jobs.  
5 You would not have the positions that you have. Just be  
6 thoughtful and think of that when you're making these decisions,  
7 because your choice has a direct effect on several people. If  
8 y'all do not give that money back to those people, then we will  
9 have to figure out within our own ranks how to get back to help  
10 our own managers. I yield my time. Thank you.

11 MR. TROBMAN: Thank you, and returning back  
12 to Gregory Stavinocha, I understand is on the line.

13 MR. STAVINOCHA: Okay. Am I unmuted now?

14 MR. TROBMAN: You're good, please proceed. I  
15 think you may have just muted yourself again.

16 MR. STAVINOCHA: I'm sorry, I think I muted  
17 myself again. How about now?

18 MR. TROBMAN: You're great, go ahead.

19 MR. STAVINOCHA: Okay. Well, there's been a  
20 lot of compelling information now, so I'm just gonna keep it  
21 short. I just implore you to please go with option two, forget  
22 about option one, and that's gonna be pretty much all I have to  
23 say. Thank you.

24 MR. TROBMAN: Thank you. Commissioners, this  
25 item is now before you for your consideration.

1 COMMISSIONER ALVAREZ: Chairman, I have a  
2 few comments that I'd like to ask Mr. Hooks. Mr. Hooks, if we  
3 were to delay this a week, could we delay it for a future  
4 docket?

5 MR. HOOKS: --would be simply that it would  
6 postpone a little bit longer the managers getting the money, but  
7 you know, it's not--it wouldn't be months. It would be until  
8 just the next meeting, if we postponed it for that period.

9 COMMISSIONER ALVAREZ: I'd also like to ask  
10 you if we could survey the other license managers on this  
11 specific topic. Would that be possible?

12 MR. HOOKS: Sure. We could--sure, we could  
13 send out a communication asking for their opinions.

14 COMMISSIONER ALVAREZ: Those are the  
15 questions I have, based on the testimony heard earlier and the  
16 options that you presented to us.

17 COMMISSIONER DEMERSON: First of all, let me  
18 thank Mike, you and the team, the BET team, for bringing this  
19 forward and for the work that you guys are doing. I know there's  
20 a lot of work that's being put into this effort, and also those  
21 ECMS, those employers in the state. I appreciate their positions  
22 and their concerns, and appreciate the work that you guys are  
23 doing day-in and day-out to make a difference in Texans' lives  
24 as well. I wanna make sure that I understand--and Commissioner  
25 Alvarez, I appreciate your comments and concerns. I think giving

1 it a little time, not even a lot of time, but maybe next week,  
2 in my opinion, allows us to do some things. But before that,  
3 option one, as I understand it, results in 84 ECMs receiving  
4 benefits, and then option two is 92 that would receive it. And  
5 we're simply dealing with--so, option one, 84; option two, 92.  
6 The difference is the IRP being included are not included in  
7 this formula, and that's what's a decision [inaudible].

8 MR. HOOKS: That's the essence of the  
9 difference between your two options, is that option one  
10 considers the IRP that occurred in 2020 as prior compensation,  
11 and option two does not.

12 COMMISSIONER DEMERSON: Okay. And I heard  
13 the presentation and received the briefing, so explain the IRP  
14 just one more time, in regards to those difference. One, I know,  
15 is 84; the other's 92, but what does it do one way or the other?

16 MR. HOOKS: Certainly. We instituted an  
17 emergency income replacement plan in 2020 that ran for three  
18 months, and that plan was based on--it was on a case-by-case  
19 basis. Any manager that reported less than \$2,720 on a given  
20 month would receive a cash payment of \$3,000. That was conducted  
21 for three months. On August 25, the commission voted to one,  
22 replenish the funds [inaudible] the trust fund. Mr. Chepey  
23 mentioned to you in comments a minute ago that the money had  
24 originally come from dollars left over from the dissolving of a  
25 retirement fund. The commission voted to replace those funds. We

1 used that as a fund source, and that was replaced. And two, to  
2 extend the benefit for two months. And that's how it ended up  
3 being five months.

4 COMMISSIONER DEMERSON: Okay. And so that  
5 amount is either going to be included or not included in the  
6 formula that you have [inaudible] forward.

7 MR. HOOKS: That is correct.

8 COMMISSIONER DEMERSON: Okay. All right,  
9 that allows us to make a decision. Again, thank you for the work  
10 that you're doing, and to the ECMS. Appreciate the work that's  
11 been put into this, and looking forward to taking it all under  
12 advisement.

13 CHAIRMAN DANIEL: Remind me of the total  
14 number of managers that are in the system.

15 MR. HOOKS: During the period of 2020, there  
16 was 103 managers that are affected by this. You might remember  
17 that in option number two, the elected committee of managers  
18 option, there were 11 managers that would not receive it, and  
19 who were they? Three of them were managers that operated  
20 military bases, that actually during COVID, you know, it was a  
21 very fortunate time, monetarily wise, for them. You might  
22 remember the hospital being set up at [inaudible] and things  
23 like that. The other eight of those 11 were also managers that  
24 made more money in 2020 than they did in 2019, or did not

25



1 operate a facility at all in 2020. They were licensed but did  
2 not operate a facility during that time.

3 CHAIRMAN DANIEL: About how many managers  
4 received the IRP payment last year?

5 MR. HOOKS: We averaged, per month, about  
6 94, 94 to 100. As you can imagine, when we started it--I believe  
7 it was in April, and we paid in May--the number was larger  
8 because the profound effects were occurring there. As things  
9 kind of leveled out, it dropped. I think we were up at 100 of  
10 the 103 when we started, and we went down to about 94.

11 CHAIRMAN DANIEL: So, most managers received  
12 one or more--

13 MR. HOOKS: Oh, certainly.

14 CHAIRMAN DANIEL: --IRP payments.

15 MR. HOOKS: Certainly. Where we come up with  
16 the eight is that many--obviously, the majority of the managers  
17 received a portion of the money during that time, but it wasn't  
18 enough to recoup all of their losses. The eight that are the  
19 difference between option one and option two were the ones that  
20 were able--that the 15,000 that they received were able for them  
21 to recover all the reported losses to 2020, calendar year,  
22 compared to 2019 calendar year, and some more.

23 CHAIRMAN DANIEL: Thank you. Do we have a  
24 motion on this today?

25

1 COMMISSIONER ALVAREZ: Chairman, I'd like to  
2 thank Chairman Sparks, Mrs. Sparks, Ashley Ni Cole Edwards,  
3 Karla Martinez, Aloha Cook, Ms. Barbie Pacheco, Ms. Wright, and  
4 of course Gregory, and Tom Seavey presenting today and providing  
5 us with some comments. You know, given the comments that were  
6 just delivered this morning, that were made here, I would like  
7 to, and I would motion that we move this Agenda Item and take  
8 action at a later docket or next week, if it's time-sensitive.

9 COMMISSIONER DEMERSON: Second.

10 CHAIRMAN DANIEL: Yeah, I'm in agreement.

11 MR. HOOKS: Okay.

12 CHAIRMAN DANIEL: Thank you.

13 COMMISSIONER ALVAREZ: So just can we back,  
14 Mr. Hooks, the survey with the license manager is a request  
15 being made that's possible?

16 MR. HOOKS: I can prepare that and have that  
17 out either late today or early tomorrow. That'll happen  
18 immediately.

19 COMMISSIONER ALVAREZ: Thank you very much.  
20 And again, thank you for all those who provided comments today.

21 COMMISSIONER DEMERSON: And Mr. Chairman,  
22 Commissioner Alvarez had alluded to in his motion, we accepted  
23 next week--at a later docket or next week. I'd like for us to  
24 move on it next week, if at all possible.

25

1 COMMISSIONER ALVAREZ: I would be okay with  
2 that, Chairman, considering that Mr. Hooks will have the  
3 information for us.

4 CHAIRMAN DANIEL: Yeah, let me hear from Mr.  
5 Trobman on that.

6 COMMISSIONER ALVAREZ: Okay.

7 MR. TROBMAN: No, yes, sir, we are--I  
8 believe we are prepared to continue this item to next week. If  
9 that is not the case, after consulting with our posted agenda, I  
10 will report back and make sure it's the following week. But I  
11 believe we are prepared [inaudible].

12 CHAIRMAN DANIEL: Thank you, Mr. Trobman.  
13 All right, any further comment?

14 COMMISSIONER ALVAREZ: No, sir.

15 COMMISSIONER DEMERSON: None here.

16 CHAIRMAN DANIEL: Thank you. Thank you. This  
17 is Agenda Item 9.

18 MS. KRUSE: [Inaudible] Before you today for  
19 discussion, consideration, and possible action is the discussion  
20 paper regarding adult education and literacy, Accelerate VI. The  
21 purpose of Accelerate Texas VI is to design and deliver quality  
22 integration, education, and training IET programs that address  
23 the education needs of priority populations, such as basic  
24 skills deficiency individuals, English language learners, and  
25 those without high school credentials. A secondary purpose of

1 Accelerate Texas VI is to demonstrate and disseminate effective  
2 and innovative models statewide that expand Texas' capacity to  
3 deliver quality IET services for [sounds like] BST individuals.  
4 The anticipated grant start date is July 2021, and four winners  
5 have been recommended for a total award of \$2,008,677. This  
6 amount is higher than the original budget of two million for the  
7 project that was proposed on July 28 of 2020 due to a three-way  
8 tie during evaluations. Today, staff seeks consideration and  
9 commission approval on one of two options. Option one,  
10 commissioner approval of the addition of \$8,677 to the budgeted  
11 amount for the RFA and the four grant awards. Option two,  
12 commission approval of fully funding the highest-scoring  
13 applicant and reducing the second-highest-scoring applicants  
14 which form the three-way tie by .5829 percent, keeping the total  
15 of the project at \$2 million, and approving the four awards as  
16 revised. This concludes my presentation. I'm happy to answer any  
17 questions.

18 CHAIRMAN DANIEL: Questions or comments?

19 COMMISSIONER ALVAREZ: If possible, I'd like  
20 to hear if you have any comments, particularly on this Agenda  
21 Item, since I have two things that I've been thinking about, or  
22 two options that I have.

23 COMMISSIONER DEMERSON: My comments center  
24 around if we set an RFP at a certain dollar amount, I'd probably  
25 like to stay with that amount, and not get into a precedent of

1 raising that. If we have a certain dollar amount, we have these  
2 groups here, we may--if there's a tie, we may need to just go  
3 down that list accordingly, based on whatever calculations we  
4 have. I'm of that opinion. So, I guess that would be falling in  
5 line with option two. I'm not opposed to the \$8,000; it's a  
6 small amount here. But I would like if we have a set budget  
7 amount and there's a tie, that there's probably a [inaudible]  
8 system or something that you can do to kinda go down that line,  
9 so.

10 CHAIRMAN DANIEL: Tell me about your tie-  
11 breaking process.

12 MS. KRUSE: This is the first time we've  
13 ever had a tie like this, so in the future, we will have tie-  
14 breaker language that's in the RFA. But for this one, we did  
15 not.

16 CHAIRMAN DANIEL: Tell me how the  
17 applications are scored.

18 MS. KRUSE: That's a good question. I  
19 brought my subject matter expert.

20 CHAIRMAN DANIEL: It's always good to bring  
21 one of those.

22 MS. KRUSE: It is, yes, sir.

23 MR. HOLQUIST: Good morning. For the record,  
24 Ben Holquist [inaudible] division. RFAs are scored based on a  
25 set of criteria. There's usually six or seven sections. Each one

1 is given a point value and is evaluated by three or more  
2 evaluators independently of each other. The scores are then  
3 averaged, and that results in the final total score.

4 CHAIRMAN DANIEL: So, the evaluators don't  
5 collaborate.

6 MR. HOLQUIST: They do not collaborate.  
7 Their--

8 CHAIRMAN DANIEL: They blind score it, and  
9 then you average them together.

10 MR. HOLQUIST: Yes.

11 CHAIRMAN DANIEL: So, the resulting tie here  
12 is a mathematical situation.

13 MR. HOLQUIST: Yes, it is a mathematical--

14 CHAIRMAN DANIEL: And we did not include our  
15 method for rock, paper, scissors in the RFA.

16 MR. HOLQUIST: No.

17 CHAIRMAN DANIEL: You know, I mean  
18 [inaudible] I'm inclined to agree with Commissioner Demerson on  
19 this one. It is true that \$8,100 is not a huge amount of money,  
20 or 8,700, I guess. It's not a huge amount of money, but I'm--we  
21 put out an RFA for a certain amount. You know, we didn't  
22 contemplate a tie, but there's kind of a principle here that  
23 we're operating on, and when I look at the option two  
24 distribution of funds, it just seems like a workable amount of  
25

1 funds for everybody that would be there. That's my feelings on  
2 it.

3 COMMISSIONER ALVAREZ: I appreciate that,  
4 because I have two options here. I wanted to hear from the  
5 commission. So--the commissioners, I should say. Okay. I'm ready  
6 for a motion, if you are, Chairman.

7 CHAIRMAN DANIEL: Yes, sir.

8 COMMISSIONER ALVAREZ: I move that we  
9 approve one grant award totaling \$520,248, one grant awarding  
10 totaling \$529,635, one grant award totaling \$204,489, and one  
11 grant award totaling 748,628, as presented by staff.

12 COMMISSIONER DEMERSON: Second.

13 CHAIRMAN DANIEL: What was that last one?

14 COMMISSIONER ALVAREZ: Seven hundred and  
15 forty-five thousand, six hundred and twenty-eight dollars.

16 CHAIRMAN DANIEL: Okay. It's been moved and  
17 seconded. We're unanimous.

18 MR. HOLQUIST: Okay, thank you.

19 COMMISSIONER ALVAREZ: That was option two?

20 CHAIRMAN DANIEL: Yeah. I think that's it on  
21 item 9. Let's move to item 10. Nothing under item 10. Item 11?

22 MS. WILLIAMS: Good morning, Chairman,  
23 commissioners, and Mr. Serna. For the record, Shunta Williams  
24 with the Workforce Development Division. Before you for  
25 consideration are workforce board nominations for Workforce

1 Solutions Brazos Valley, Cameron County, Heart of Texas, Gulf  
2 Coast, Central Texas, and Permian Basin. Staff recommends that  
3 all nominees be approved, and I'm here to answer any questions  
4 you have.

5 CHAIRMAN DANIEL: Any questions or comments?

6 COMMISSIONER ALVAREZ: None here, Chairman.

7 COMMISSIONER DEMERSON: No questions or  
8 comments.

9 CHAIRMAN DANIEL: Do we have a motion?

10 COMMISSIONER ALVAREZ: I move that we  
11 approve the board nominees for Brazos Valley, Cameron County,  
12 the Heart of Texas, Gulf Coast, Central Texas, and Permian  
13 Basin.

14 COMMISSIONER DEMERSON: Second.

15 CHAIRMAN DANIEL: It's been moved and  
16 seconded. We're unanimous. Staff doesn't have anything under  
17 item 12. Is there a legislative report today? Is there an  
18 executive director's report today?

19 MR. SERNA: [No audible dialogue]

20 COMMISSIONER ALVAREZ: Yes, thank you, Ed,  
21 for that. As you know, or for those that don't know, last week  
22 we were awarded a DOL expansion grant, thanks to the  
23 apprenticeship team, who is present today. And so I wanted to  
24 acknowledge the following: Desi Holmes is our director, Tara  
25 Cole, George McEntyre, Ann Pham, Kimberley Patterson, Sheila



1 Ripple, and our intern with the apprenticeship group is Filipe  
2 Brazo--Braza?

3 MR. BROZA: Broza.

4 COMMISSIONER ALVAREZ: Broza. I wanted to  
5 congratulate them. And of course I also wanted to take this  
6 opportunity to thank everyone involved in this whole process. We  
7 were one of very few states that were awarded this grant, so I  
8 wanted to certainly acknowledge everyone that works on that  
9 team. And of course we have Kerry--thank you, Kerry, for your  
10 work, and of course Courtney, for your leadership. But I  
11 specifically wanted to acknowledge Desi and her team for the  
12 great work they've done, to not only promote the apprenticeship  
13 programs that we have in Texas, but certainly taking advantage  
14 of this expansion grant, where we have now apprentices in other  
15 occupations, not just in the traditional apprenticeship category  
16 that we would remember or started back in 2016. But now we're in  
17 IT, healthcare, childcare, we're making beer. I mean, you name  
18 it. So, I wanna thank Desi and her team for that. So,  
19 congratulations and well deserved.

20 COMMISSIONER ALVAREZ: Commissioner Alvarez,  
21 I always like--can I--the individuals that are here, can they  
22 stand, please, so we can really point them out and stuff? Good.  
23 You guys [inaudible].

24 COMMISSIONER ALVAREZ: Congratulations to  
25 the team. [applause]

1 CHAIRMAN DANIEL: Commissioner--so, we have  
2 an executive session on the agenda. I know there's some topics  
3 for that. If you wanna get a snapshot, if we could let the  
4 photographer into the arena, we could take a quick snapshot--

5 COMMISSIONER ALVAREZ: That'd be great.

6 CHAIRMAN DANIEL: --and then go into  
7 executive session.

8 COMMISSIONER ALVAREZ: Thank you, Chairman.

9 CHAIRMAN DANIEL: I guess this is actually a  
10 rodeo, and it's not an arena. How about the meeting room? We'll  
11 let the photographer into the meeting room. [inaudible  
12 background conversation]

13 [pause 01:26:27 - 01:28:47]

14 CHAIRMAN DANIEL: The time is now 10:33. The  
15 Texas Workforce Commission is now going into executive session  
16 in room 250B to discuss the appointment, employment, evaluation,  
17 reassignment, duties, discipline, or dismissal of the executive  
18 director, internal auditor, executive staff, or other personnel  
19 pursuant to Texas government code section 551.074(a)(1).

20 [executive session - 01:29:05 - 01:30:43]

21 CHAIRMAN DANIEL: The executive session is  
22 now concluded, and the time is 11:32. Is there any other order  
23 of business to come before the commission?

24 COMMISSIONER ALVAREZ: None here, Chairman.

25 COMMISSIONER DEMERSON: None here.

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CHAIRMAN DANIEL: Do we have a motion to

adjourn?

COMMISSIONER ALVAREZ: Chairman, I move that

we adjourn.

COMMISSIONER DEMERSON: Second that motion.

CHAIRMAN DANIEL: It's been moved and

seconded to adjourn. We're adjourned.

Texas Workforce Commission Meeting  
July 6, 2021

Item 8A: Business Enterprises of Texas  
Federal Randolph Sheppard Financial Relief  
and Restoration Funding Distribution  
Methodology

Written Comments

It was brought to the members of the ECM Business Enterprise of Texas Program On Friday July 2nd. We were informed by Mr Hooks that he would be recommending to use funds some managers received during COVID as income to the FRRP funds.

The ECM including myself had previously voted not to include them funds in regards to FRRP in compliance with the guidelines provided by the Department of Education.

If this data was formulated in we would be the only state in the country to use it. We are already gonna be the last State to even receive the Grant.

By using the 15,000 dollars it would eliminate 8 Managers who desperately need these funds. Also if we had known this where even possible the ECM would've used a different formula to determine losses.

This would not only eliminate 8 managers but it would also take that money and give it to the highest earning managers , therefore making the disbursement even more too heavy then it currently is.

If this money is to truly help those who really need it. By using Mr Hooks recommendation, you would COMPLETELY eliminate the purpose of the money all together.

This is COMPLETELY unfair to those who desperately need these funds. The fact managers have already had to wait over 2 months is insane enough. Now choosing to give 90% of the money to the top 10% earners in this program is COMPLETELY insane and unethical. As a member of the ECM I strongly urge the board to use the plan voted on and submitted by the ECM to the SLA as it is making no changes.

Please consider the members of this program who have already lost so much.

Thank you Travis Warren

ECM district 5