



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

NOVEMBER 23, 2021

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TUESDAY, NOVEMBER 23, 2021

CHAIRMAN DANIEL: All right, good morning, everyone. This meeting is called to order. Has anyone signed up for public comment?

MS. HOLT CUTRONE: No [inaudible].

CHAIRMAN DANIEL: Thank you. All right, good morning.

MS. GONZALEZ: Good morning.

CHAIRMAN DANIEL: This brings us to the end of Agenda Items 3 through 7. Let's take a short break.

MS. GONZALEZ: Okay.

CHAIRMAN DANIEL: We'll resume here in a few minutes.

MS. GONZALEZ: Thank you.

MS. MILLER: Commissioners, I did want to wish you a Happy Thanksgiving.

CHAIRMAN DANIEL: Well, thank you very much, and the same to you.

COMMISSIONER DEMERSON: Same to you guys.

COMMISSIONER ALVAREZ: Happy Thanksgiving to all of you.

COMMISSIONER DEMERSON: All right.

CHAIRMAN DANIEL: All right, we're back. This is Agenda Item 8, this is a discussion paper on the 2022 unemployment insurance tax rates.

1 MR. NELSON: Good morning, Chairman,
2 commissioners, Mr. Townsend. For the record, Chris Nelson, chief
3 financial officer. TWC tax staff are preparing to issue 2022
4 unemployment insurance tax rates for employers in December, but
5 there are several rates the commission may consider using their
6 statutory authority to adjust. An employer's tax rate is
7 comprised of five individual rates--the general tax, the
8 replenishment tax, obligation assessment, deficit tax, and the
9 employment and training investment assessment. Of those rates,
10 the commission have the authority to adjust three of them that
11 we will discuss today--the replenishment tax, the obligation
12 assessment, and the deficit tax. As background, H.B. 7 of the
13 87th regular Texas legislative session removes COVID non-
14 effective charges from the general tax. TWC has identified just
15 under 1.3 billion of COVID non-charges applicable for tax year
16 2022. Half of those would have been applied to the general tax.
17 They have now been removed. And I will lay out all three rates
18 and then open it up for any commission questions, discussion, or
19 action after that. In the discussion paper, the first tax rate
20 for commission consideration is the replenishment tax. As I
21 mentioned earlier, the other half of the 1.3 billion in COVID
22 non-effective charges are applied to the replenishment tax, and
23 there is no method in statute to remove those COVID non-charges
24 similar to H.B. 7. But the commission does have the authority to
25 adjust that rate. Without adjustment, I project the

1 replenishment tax rate to be approximately 1.01 percent. I have
2 laid out two options in the discussion paper, but the commission
3 may choose to set a rate not laid out as an option. Option one
4 of 0.21 percent simply sets the rate to the 2020 rate prior to
5 COVID. Option two of 0.44 percent removes COVID non-effective
6 charges from the calculation of the replenishment tax, similar
7 to H.B. 7's impact on the general tax. The difference in
8 projected tax remittances is approximately 247 million under
9 both options, and I project TWC to be above the floor on October
10 1 of 2022, under both options. The second rate is the deficit
11 tax rate. On November 8, 2021, Governor Abbott signed S.B. 8 of
12 the third special session, appropriating up to 7.2 billion in
13 federal funds for TWC to pay off its title XII advances and
14 bring the trust fund to the statutory floor on October 1, 2021.
15 With these funds, there is no longer a need to assess a deficit
16 tax, even though TWC was technically below the floor on October
17 1, 2021. And I am recommending the commission set the deficit
18 tax to zero at this point. The third rate is an obligation
19 assessment to cover interest in its title XII advance balance
20 after September 30 of 2021. In June of 2021, TWC assessed an
21 obligation assessment to cover interest due on September 30 of
22 2021. TWC paid interest of approximately 8.9 million on
23 September 30, and has approximately 20.7 million in remaining
24 funds from that assessment. I project that we have enough cash
25 to cover any interest accrued until tomorrow, but as of this

1 morning, we are still working with the Texas state controller's
2 office and the Texas treasury to transfer the S.B. 8 funds so
3 that we may retire our title XII advances and lock in the
4 accrued interest. At this point, I cannot confidently say that
5 the transfer will happen in time so that our prior year
6 obligation assessment funds will be sufficient to cover any
7 interest due on September 30, 2022. Having said that, I would
8 recommend that the commission set an obligation assessment of
9 0.01 percent to cover any additional interest due. And if you
10 choose, you could set the replenishment tax by--reduce the
11 replenishment tax by a corresponding .01 percent on employers as
12 well. A 0.01 assessment would collect approximately \$9 million
13 in 2022, and any funds not used to cover interest due would
14 revert back to the trust fund as well. So, there is no loss on
15 any funds not used. So, that concludes my comments, and I'd be
16 happy to answer any questions at this point.

17 CHAIRMAN DANIEL: Comments or questions?

18 COMMISSIONER ALVAREZ: Chairman, before I
19 have any--read my comments, I'd like to hear from both of you,
20 if that's okay.

21 COMMISSIONER DEMERSON: Well, Chris, thanks
22 for the presentation, and thanks for all the past work that you
23 guys have been doing. I'm excited to see that we have an
24 opportunity to do this in November. I look back at last
25 November, and things were a lot different. In response to what's

1 been presented here, the replenishment tax rate at 0.21 that's
2 recommended, and then 0.44, that's been issued to us for
3 consideration, I like the fact of maybe reducing that to 0.20
4 and then having the replenishment--the obligation assessment set
5 at 0.01. I think our net result there is going to be keeping in
6 line with what we've done in the past. And so, I'm thinking
7 along those lines at this particular point.

8 CHAIRMAN DANIEL: So, talk to me about the
9 difference between--on the replenishment tax rate, the
10 difference between .21 and .44.

11 MR. NELSON: The difference, at least from a
12 revenue standpoint, would be approximately \$247 million in
13 additional revenue the .44 would collect versus the .21.

14 CHAIRMAN DANIEL: And so the .44 represents--
15 --had COVID not been a factor in unemployment benefits and the
16 economy just operated as the economy, we would be thinking .44
17 would be the calculated rate based on economic factors, minus
18 COVID.

19 MR. NELSON: That would be the estimated
20 rate, exactly. Basically, it does exactly what H.B. 7 does to
21 the general tax. It identifies that half of the 1.3 billion
22 COVID non-charges, and it just removes them from the calculation
23 of the replenishment tax, as if they didn't exist.

24

25

1 CHAIRMAN DANIEL: Yeah. Which gets us to, at
2 some point in the future, when we have to calculate our floor,
3 we--your projection would be we would be above the floor.

4 MR. NELSON: I'm still projecting we would
5 be above the floor on October 1 of 2020.

6 CHAIRMAN DANIEL: The .44 percent rate, is
7 that in keeping with the range that we've seen in the past?

8 MR. NELSON: It is. So in the discussion
9 paper, there's an option I go back to 2017. You can see in 2017
10 there was a .41 percent replenishment tax, and that was mainly
11 driven by the downward trend of oil prices that drove the
12 unemployment rate higher in 2016 that affected the 2017 rates.

13 CHAIRMAN DANIEL: Mm-hmm. And we've seen
14 some--I mean, energy prices are up right now, but we've seen
15 some fluctuating energy prices over the last year or two that
16 would have some sort of economic impact.

17 MR. NELSON: Right, right. Correct. It does
18 not lower it to prior COVID levels, but it does bring it still
19 back to within a normal range of what you would see of kind of a
20 maximum range of a replenishment tax--

21 CHAIRMAN DANIEL: Yeah.

22 MR. NELSON: --that we've seen in recent
23 history.

24 CHAIRMAN DANIEL: So, I think we have a
25 tendency to sort of want to--naturally; I mean, it's human

1 nature--we wanna reset things to when things were moving along
2 rapidly, late 2019, January/February 2020. So, we have this
3 tendency to think that resetting things back to those levels is
4 our success point. But in reality, my observation is that the
5 tax rate for unemployment, for the trust fund, it fluctuates
6 with the economy on this sort of predictable range, and that .44
7 is certainly something that we've seen in that kind of
8 predictable range.

9 MR. NELSON: That is true.

10 CHAIRMAN DANIEL: So, the number of people
11 who are on unemployment benefits right now, it would strike me
12 that that is fairly similar to what we saw late 2019, early
13 2020, prior pandemic. Is that an accurate statement?

14 MR. NELSON: That is an accurate statement.
15 We're--

16 CHAIRMAN DANIEL: In fact, I think we're
17 only about maybe somewhere between 10 and 20,000 more
18 beneficiaries today than we were in February 2019, or February
19 2020. Is that fairly accurate?

20 MR. NELSON: Yeah, I look at it from the
21 perspective of cash going out the door. And when you look at the
22 amount of state unemployment benefits going out the door in the
23 month of October and November, we were definitely approaching
24 prior COVID levels, or really at prior COVID levels right now.

25

1 CHAIRMAN DANIEL: So, the employment rate is
2 high. I think that's due to people who self-identify as
3 unemployed. They're not receiving benefits, but they have not
4 found either the job they're looking for or a job in their area.
5 There's a reason they're not working. The fact that they're
6 saying they're unemployed just because they're not receiving
7 unemployment benefits doesn't mean they're not unemployed. And
8 so, when I look at the numbers across the board, the number of
9 Texans who are working for wages, the number of people who are
10 receiving unemployment benefits, those both seem to be very
11 analogous to what we saw February 2020, which was kind of our
12 high point in employment. The difference in the unemployment
13 then, which was around 3.5, and now, which is around 5.5, seems
14 to be the number of people who are self-reporting as unemployed.
15 They're not in our systems beyond perhaps they may be doing some
16 training or something. So, the numbers are kind of resetting
17 themselves back to what we saw 2019/2020 levels, and you've
18 presented an option here that's reminiscent of those levels. You
19 say that both the .21 percent and the .44 percent would get us
20 to where we would be compliant with the floor on the next
21 measurement on the floor.

22 MR. NELSON: Yes.

23 CHAIRMAN DANIEL: And so the difference
24 being the .44 represents kind of the economic situation that
25 we're in, all the different things that have pulled at the

1 economy, minus the designated COVID pull on the economy. And the
2 .21 really just represents kind of a resetting to the numbers
3 that we saw immediately pre-pandemic, and either selection would
4 get us above the floor. The difference being, you said, about
5 somewhere--

6 MR. NELSON: Two hundred forty-seven
7 million.

8 CHAIRMAN DANIEL: Yeah, just shy of \$250
9 million. Other comments or questions?

10 COMMISSIONER ALVAREZ: Chairman, I would
11 like to thank Governor Abbott and the legislature for taking
12 action to appropriate funds to shore up the unemployment
13 compensation fund. This impactful piece of legislation will help
14 support Texas economy and ensure we can get workers back to work
15 quickly. And, like, I--let me tell you, I--both options are
16 actually really good. I tend to sway towards the comment that
17 Commissioner Demerson said. I think that's one we were working
18 with. But again, they're both good options. They both take us
19 above the floor, which is good. So, I just wanted to make that
20 note.

21 COMMISSIONER DEMERSON: What percentage
22 increase is that if we're looking at 0.44 versus 0.21 or 0.20,
23 about?

24
25

1 MR. NELSON: So, the current replenishment
2 tax rate, I think, is what we said, is the 2020 level--well,
3 it's .18 because of the obligation assessment.

4 COMMISSIONER DEMERSON: Mm-hmm.

5 MR. NELSON: So, .44 would be a little over,
6 in a sense, doubling it, is how you get to the 200--I mean, for
7 every tenth of a percent, you'll collect about \$100 million. So,
8 that's how you get to the--

9 COMMISSIONER DEMERSON: Forty percent
10 [inaudible] increase [inaudible].

11 MR. NELSON: Correct.

12 COMMISSIONER DEMERSON: Okay. All right.
13 Yeah.

14 MR. NELSON: So, it is an increase, but it
15 is not out of the realm of what we've seen in the last five
16 years or so of where the rate could go.

17 COMMISSIONER DEMERSON: It is an increase.
18 Okay.

19 CHAIRMAN DANIEL: Tell me about your rate-
20 setting algorithm. Like, what are you considering when you--so,
21 you're saying that .44 would be the rate that would be sort of
22 indicative of no COVID effects. That would be the calculation.

23 MR. NELSON: Mm-hmm.

24 CHAIRMAN DANIEL: What's involved in that
25 calculation?

1 MR. NELSON: So, the replenishment tax
2 basically takes half of the non-effective charges--all of the
3 non-effective charges, and you divide that by the--I believe the
4 total taxable wages. And that's how you get the replenishment
5 tax rate. So, in my calculation, what I've done is identify the
6 total non-effective charges, and then the subset of COVID non-
7 charges from that, and then just subtracted those from the
8 numerator is how you get to the .44.

9 CHAIRMAN DANIEL: Mm-hmm. And do we suspect
10 that perhaps people didn't report what, in fact, were COVID-
11 related issues, that they didn't report them as COVID-related
12 issues, so we're still showing some non-effective charges as
13 something other than COVID, even though it probably was as a
14 result of the pandemic?

15 MR. NELSON: Correct. I think--well, so when
16 a claim comes in, it's identified as COVID, but it may not be
17 adjudicated as COVID. And so what we're talking about is those
18 that have been adjudicated as a COVID non-charge. So, if
19 somebody can say, "I got laid off because of COVID," but as it
20 goes through the adjudication process, the UI claim staff may
21 determine no, it wasn't a--it wasn't a COVID charge. And so, it
22 doesn't get that protection from the non-charge.

23 CHAIRMAN DANIEL: Mm-hmm. Other comments or
24 questions?

25

1 COMMISSIONER ALVAREZ: None here. Healthy
2 conversation, that's for sure.

3 COMMISSIONER DEMERSON: None.

4 CHAIRMAN DANIEL: Yeah. Is there a motion?

5 COMMISSIONER DEMERSON: Mr. Chairman, I'd
6 like to make a motion. In accordance with the authority granted
7 by the Texas Labor Code section 204.067, I move that the Texas
8 Workforce Commission set the replenishment tax rate for 2022 at
9 0.20 percent.

10 COMMISSIONER ALVAREZ: Is that the entire
11 motion?

12 COMMISSIONER DEMERSON: It's a motion for
13 the replenishment tax.

14 COMMISSIONER ALVAREZ: Okay. I would agree
15 to that.

16 CHAIRMAN DANIEL: Agreed.

17 COMMISSIONER DEMERSON: Okay. And so I'll
18 move on from the replenishment tax to the deficit tax rate, and
19 make a motion in that regard. In accordance with the authority
20 granted by the Texas Labor Code section 204.067, I move that the
21 Texas Workforce Commission adjust the deficit tax rate for 2022
22 to 0.0 percent.

23 MR. NELSON: The--can you repeat that again
24 on the deficit tax?

25

1 COMMISSIONER DEMERSON: The deficit tax rate
2 for 2022 to 0.00 percent.

3 MR. NELSON: Okay.

4 COMMISSIONER ALVAREZ: I'm good with that. I
5 would agree.

6 CHAIRMAN DANIEL: I have a question. So,
7 your motion, the one we just agreed to, would set the
8 replenishment tax rate at--

9 MR. NELSON: Two-zero.

10 CHAIRMAN DANIEL: --.20 percent.

11 MR. NELSON: Mm-hmm.

12 CHAIRMAN DANIEL: And then your current
13 motion would not have a--

14 MR. NELSON: Deficit tax.

15 COMMISSIONER DEMERSON: Deficit tax.

16 CHAIRMAN DANIEL: Deficit tax [inaudible].

17 COMMISSIONER DEMERSON: That's correct.

18 CHAIRMAN DANIEL: What happens if we collect
19 the deficit tax but we don't need it for the interest payments?

20 MR. NELSON: So, the deficit tax is really
21 to bring the trust fund to the floor.

22 COMMISSIONER DEMERSON: Mm-hmm.

23 MR. NELSON: And because of S.B. 8--

24 COMMISSIONER DEMERSON: Don't need it.

25 CHAIRMAN DANIEL: So really, it's just--

1 MR. NELSON: We were technically below the
2 floor.

3 CHAIRMAN DANIEL: Yeah.

4 MR. NELSON: It's really a technicality, for
5 the most part. We were below the floor on October 1. So, I think
6 it's safer for the commission to actually set the rate to zero.

7 CHAIRMAN DANIEL: Got it. I hear you.

8 COMMISSIONER DEMERSON: Mm-hmm.

9 CHAIRMAN DANIEL: I agree.

10 COMMISSIONER DEMERSON: Okay. And lastly,
11 the unemployment--the obligation assessment rate, in accordance
12 with the requirements of Texas Labor Code section 203.105, and
13 Texas Workforce Commission rule 40 TAC section 815.132, I move
14 that the Texas Workforce Commission set the unemployment
15 obligation assessment rate for 2022 at 0.01 percent.

16 COMMISSIONER ALVAREZ: I would agree with
17 that.

18 CHAIRMAN DANIEL: And if we don't have
19 interest payments?

20 MR. NELSON: Then any funds that we collect
21 from the obligation assessment will revert back to the trust
22 fund once we don't have any interest that's payable.

23 CHAIRMAN DANIEL: Agreed.

24 MR. NELSON: And at the most, we'll probably
25 need a couple days, a few days. But it's better to have--

1 CHAIRMAN DANIEL: Got it.

2 MR. NELSON: --the funds available than not.

3 CHAIRMAN DANIEL: I agree with the motion
4 also.

5 CHAIRMAN DANIEL: [Inaudible]

6 COMMISSIONER DEMERSON: Okay. Mr. Chairman,
7 that concludes my motions on the--

8 COMMISSIONER ALVAREZ: I'm okay with all of
9 them.

10 CHAIRMAN DANIEL: Yeah, good, thank you.

11 MR. NELSON: Thank you.

12 COMMISSIONER ALVAREZ: You okay, Chris? We
13 okay?

14 MR. NELSON: I think we're good.

15 COMMISSIONER ALVAREZ: Okay.

16 MR. NELSON: Thank you.

17 COMMISSIONER ALVAREZ: You [inaudible] get
18 sleep now? Check in the mail?

19 CHAIRMAN DANIEL: This is item 9, fiscal
20 year 2022 internal audit plan.

21 MS. SAGEBIEL: Good morning, Chairman and
22 commissioners. For the record, Ashley Sagebiel, internal audit.
23 Today I'm here to present the fiscal year 2022 audit plan for
24 your consideration and approval. In your materials, you'll find

25

1 the proposed audit projects as briefed with your offices, and
2 I'll be happy to answer any questions.

3 COMMISSIONER ALVAREZ: None here, Chairman.

4 CHAIRMAN DANIEL: Comments or questions?

5 COMMISSIONER DEMERSON: None. Ashley, so the
6 2022 audit plan as presented here, there's a number of items
7 here. Are we trying to complete all of these in the one-year
8 timeframe, or--

9 MS. SAGEBIEL: We always plan to have a few
10 rollovers.

11 COMMISSIONER DEMERSON: Okay.

12 MS. SAGEBIEL: But we're trying to minimize
13 the number of rollovers.

14 COMMISSIONER DEMERSON: Okay, good. All
15 right, thank you.

16 MS. SAGEBIEL: Okay.

17 COMMISSIONER DEMERSON: That's it.

18 CHAIRMAN DANIEL: Motion?

19 COMMISSIONER ALVAREZ: Chairman, I move that
20 we approve the fiscal year 2022 audit plan, as presented.

21 COMMISSIONER DEMERSON: Second.

22 CHAIRMAN DANIEL: Well, I'm in agreement,
23 absolutely.

24 MS. SAGEBIEL: Thank you.

25

1 CHAIRMAN DANIEL: Thank you. This is item
2 10, AEL advisory committee.

3 MS. BALDINI: Good morning, Chair Daniel,
4 Commissioner Alvarez, Commissioner Demerson and Mr. Townsend.
5 For the record, Mahalia Baldini, Workforce Development Division,
6 Adult Education and Literacy. Texas Labor Code chapter 315.005
7 and the Texas Administrative Code rule chapter 805.43 require
8 that the Texas Workforce Commission establish an adult education
9 and literacy advisory committee. The advisory committee must not
10 be composed of more than nine members, and must include at least
11 one business representative as well as one workforce board
12 representative. Currently, we have one committee member's term
13 that ended in June of 2021, and the terms of six other committee
14 members that end in December of 2021, as shown in table one of
15 your resource materials, providing a total of seven vacancies
16 for December of 2021. At this time, staff seeks direction on
17 reappointing Diana Contreras, representing the business
18 community, and also to serve on the advisory committee for an
19 additional two-year term. We are also requesting the appointment
20 of two new members, Janine Maldonado [SP], who will be
21 representing the board, and Steve Banta, representing literacy
22 nonprofit organizations. Each of these terms will expire in
23 December of 2023. That concludes my remarks, and I'm happy to
24 answer any questions.

25 CHAIRMAN DANIEL: Comments or questions?

1 COMMISSIONER ALVAREZ: None here, Chairman.

2 COMMISSIONER DEMERSON: So, Mahalia, that's
3 three out of the seven. You're gonna bring forth others at some
4 point in the future?

5 MS. BALDINI: Yes. The plan right now, so if
6 these three go forward today and are approved, that'll give us a
7 total of five currently on the committee. That'll leave us a
8 total of four vacancies that we'll be looking to fill in the
9 spring.

10 COMMISSIONER DEMERSON: Okay. Thank you.

11 CHAIRMAN DANIEL: Is there a motion?

12 COMMISSIONER ALVAREZ: Chairman, I move that
13 we reappoint Diana Contreras for an additional two-year term,
14 and appoint Janine Maldonado and Steve Banta to serve two-year
15 terms on the adult education and literacy advisory committee.

16 COMMISSIONER DEMERSON: Second.

17 CHAIRMAN DANIEL: We're unanimous, thank
18 you.

19 MS. BALDINI: Thank you, commissioners.

20 COMMISSIONER ALVAREZ: Mahalia, before you
21 go, what does Steve Banta do? Does he work for IBM, or Texas
22 Instruments?

23 MS. BALDINI: He actually is--maybe in his
24 former life, he's actually the executive director of Literacy
25 Texas.

1 COMMISSIONER ALVAREZ: Okay. Thank you.

2 CHAIRMAN DANIEL: This is item 11, HSE
3 subsidy voucher distribution for FY 2022.

4 MS. BALDINI: And I'm back. Good morning,
5 commissioners, Mr. Townsend. Again, for the record, Mahalia
6 Baldini with Adult Education and Literacy, Workforce Development
7 division. The Texas Education Code section 48.302, as enacted by
8 House Bill 3 of the 86th Texas Legislature regular session and
9 amended by House Bill 31525 of the 87th Texas Legislature
10 regular session requires that the Texas Education Agency enter
11 into a memorandum of understanding with the Texas Workforce
12 Commission when transferring funds to subsidize the cost of a
13 high school equivalency exam for individuals 21 years of age or
14 older. On November 1 of 2021, TEA and TWC entered into an
15 interagency contract which enabled TEA to transfer \$750,000 to
16 TWC for the program during this current fiscal year and the
17 2022/2023 biennium. At this time, staff seeks direction on
18 implementing a high school equivalency subsidy program as
19 authorized under the Texas Education Code with the following:
20 First, approving an initial allotment of the high school
21 equivalency vouchers to AEL grant recipients, as well as Texas
22 Tech University, and the University of Texas at Austin, which
23 were our virtual provider programs. You can see that shown in
24 your tables one and two in your notebook materials. And then
25 secondly, we are requesting that we're approving the plan

1 described in the discussion paper that includes actually two
2 things. The first is it allows staff to distribute remaining
3 vouchers in this fiscal year to ensure efficient usage of the
4 vouchers based on the outlying criteria provided in your
5 materials. And then secondly, the plan also allows grantees and
6 providers to develop local policies to distribute vouchers to
7 individuals who are not current or former AEL participants, per
8 the Texas Administrative Code. That concludes my remarks, and
9 I'm happy to answer any questions.

10 CHAIRMAN DANIEL: Comments or questions?

11 COMMISSIONER ALVAREZ: None here, Chairman.

12 COMMISSIONER DEMERSON: So, Mahalia, the
13 first tranche would be the 350 or 375, I believe. And then the
14 other part, the 750, what are the plans for that?

15 MS. BALDINI: That is gonna be--that is part
16 of the plan that we're asking for the second item in the second
17 motion.

18 COMMISSIONER DEMERSON: Okay.

19 MS. BALDINI: And what we are essentially
20 requesting is that the commission provides staff the authority
21 to monitor this on a monthly basis. As those grantees get to 70
22 percent of their kind of expenditures of their vouchers, they
23 can then request additional vouchers from TWC and we will
24 provide them as they are needed--

25

1 COMMISSIONER DEMERSON: All right, thank
2 you.

3 MS. BALDINI: --at the local level.

4 COMMISSIONER DEMERSON: All right.

5 CHAIRMAN DANIEL: Is there a motion?

6 COMMISSIONER ALVAREZ: Chairman, I move that
7 we approve the initial allotment of HSE vouchers, as outlined in
8 table one and two, allow staff to distribute remaining vouchers
9 in fiscal year '22, and approve allowing grant recipients to
10 develop local policies related to distribution of vouchers to
11 individuals who are not current or formal AEL participants, as
12 discussed.

13 COMMISSIONER DEMERSON: Second.

14 CHAIRMAN DANIEL: It's been moved and
15 seconded. We're unanimous. Thank you.

16 MS. BALDINI: Thank you, commissioners. Have
17 a good holiday.

18 COMMISSIONER DEMERSON: Thank you.

19 CHAIRMAN DANIEL: I'm not showing anything
20 under Agenda Item 12, 13, or 14. Is that correct? Agenda Item
21 15, board nominations.

22 MS. WILLIAMS: Morning, commissioners and
23 Mr. Townsend. For the record, Shunta Williams with the Workforce
24 Development Division. For consideration this morning, we have
25 workforce board nominations for Brazos Valley, Cameron County,

1 North Central Texas, and Texhoma. Staff seeks direction on the
2 presented nominees, and I'm here to answer any questions you
3 have.

4 CHAIRMAN DANIEL: Comments or questions?

5 COMMISSIONER ALVAREZ: None here.

6 COMMISSIONER DEMERSON: None here.

7 CHAIRMAN DANIEL: Is there a motion?

8 COMMISSIONER ALVAREZ: I move that we
9 approve board nominees for Brazos Valley, Cameron County, North
10 Central Texas, and Texhoma.

11 COMMISSIONER DEMERSON: I second.

12 CHAIRMAN DANIEL: It's been moved and
13 seconded. We're unanimous. Thank you. We have nothing under
14 Agenda Item 16. Is there a legislative report today? It appears
15 so. You should have walk-up music so we know when you're coming
16 up here. You can select it. Subject to the approval of the
17 commission.

18 MR. BRITT: Good morning, Mr. Chairman and
19 commissioners and Mr. Townsend. For the record, Michael Britt,
20 governmental relationships. Last Friday, the U.S. House passed
21 H.R. 5376, which is the Build Back Better Act. A breakdown of
22 the funding relevant to TWC proposed in the legislation has been
23 provided to your offices, and the bill now goes to the U.S.
24 Senate for their consideration. Also, a reminder that the
25 federal government is currently funded till December 3 of this

1 year, and after that point, if there's no action by Congress,
2 funding will expire. Concludes my remarks, and I'm happy to
3 answer any questions you have.

4 CHAIRMAN DANIEL: Any comments or questions?

5 COMMISSIONER ALVAREZ: None here, Chairman.

6 CHAIRMAN DANIEL: Thank you, sir.

7 MR. BRITT: Thank you, sir.

8 CHAIRMAN DANIEL: Mr. Townsend.

9 MR. TOWNSEND: Good morning, Chairman,
10 commissioners. I don't have an executive director's report, but
11 I did just wanna wish each of you and our entire TWC family a
12 safe and happy Thanksgiving holiday.

13 CHAIRMAN DANIEL: Well, thank you very much,
14 and the same to you. This is a good opportunity to get stuff off
15 your chest, if there's anything that you'd like to say.

16 COMMISSIONER ALVAREZ: Do it, Randy, do it.

17 MR. TOWNSEND: I'm just fine.

18 CHAIRMAN DANIEL: Mr. Nelson uses it as an
19 opportunity to get stuff off of his chest when he--

20 MR. TOWNSEND: I've watched him.

21 CHAIRMAN DANIEL: Oh, you've watched him?
22 Randy, thank you so much. And in keeping with that, yes, some
23 folks may be traveling, other folks may be spending time at
24 home. Whatever it is you're doing, please be safe and healthy,
25 and hopefully take a little bit of time off and recharge your

1 batteries a little bit. We've got an outstanding December coming
2 up, and so Thanksgiving's a good rest for that while we charge
3 right into that. Thank you very much. Is there any other order
4 of business to come before the commission?

5 COMMISSIONER ALVAREZ: No, I just wanted to
6 wish everybody happy holidays, and be safe on your travels. We
7 look forward to seeing you next week.

8 COMMISSIONER DEMERSON: Yeah, just two quick
9 things is to again commend the staff on the conference last
10 week. Amazing conference. The first time we were able to get
11 back in person, and I think folks were excited about that. So,
12 [sounds like] Gillian and team, good job there. And also just
13 wishing everybody a Happy Thanksgiving. Be safe and careful.

14 CHAIRMAN DANIEL: Absolutely. Is there a
15 motion to adjourn?

16 COMMISSIONER ALVAREZ: Chairman, I move that
17 we adjourn.

18 COMMISSIONER DEMERSON: I second that
19 motion.

20 CHAIRMAN DANIEL: It's been moved and
21 seconded to adjourn, and we're adjourned.

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