



**MEETING OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**JANUARY 24, 2023**

1 Tuesday, January 24, 2023

2 CHAIRMAN DANIEL: Good morning, everyone.

3 This meeting is called to order. I do want to welcome our newest  
4 commissioner, Albert Treviño. Commissioner, welcome.

5 COMMISSIONER TREVIÑO: Thank you, sir.

6 CHAIRMAN DANIEL: Thank you very much. All  
7 right. Let's jump into the agenda. Mr. Trobman, has anyone  
8 signed up for public comment?

9 MR. TROBMAN: No, sir.

10 CHAIRMAN DANIEL: Good morning, Ms. Miller.

11 MS. MILLER: Good morning, sir.

12 CHAIRMAN DANIEL: Thank you. Let's take a  
13 short recess.

14 CHAIRMAN DANIEL: All right, we're back with  
15 Agenda Item 8. This is the UI Trust Fund update.

16 CHRIS NELSON: Good morning, Chairman  
17 Daniel, Commissioner Demerson, Commissioner Treviño, Mr. Serna.  
18 For the record, Chris Nelson, chief financial officer. This  
19 morning you have before you the current trust fund projection,  
20 Unemployment Insurance Trust Fund projection as of September,  
21 that would be in effect of September 30, 2023, and there's three  
22 parts. I'll walk through it and I'll, in deference to  
23 Commissioner Treviño, I'll try to limit my use of acronyms or  
24 spell them out when I do. There's three parts to this  
25 projection. Section one basically walks through the current, the

1 beginning balance, and the estimated ending balance as of  
2 September 30<sup>th</sup>. Section two walks through that relation of the  
3 balance to the unemployment floor which is one percent of  
4 taxable wages, and section three walks through the status of the  
5 Employment and Training Investment Account, Fund 5128. So we  
6 started the year, October 1, 2022, with a 2.154-billion-dollar  
7 balance in the trust fund. We're projecting remittances or  
8 revenue of a little over two billion dollars. If you look at  
9 column, the same row, column 22, you'll see it was 2.6 billion.  
10 That reflects, if you remember, the commission back this summer  
11 took action on non-last employing units to allow additional  
12 appeals activity. That reduction in revenue is reflected by that  
13 action. That's our current estimates, probably about a 650-  
14 million-dollar reduction in revenue based off the information we  
15 have from the appeals staff as of today. We still project about  
16 2.1 billion in benefits paid on 1.09 leaving a balance of 2.1  
17 billion. So even with the non-last employing unit action, it  
18 looks like, if you go down to section two, we're projecting,  
19 we'll still be above the floor as of September 30<sup>th</sup> so—which is a  
20 good thing. In the next update on section 2.01, we'll probably  
21 have an update to the floor. That number's probably going to be  
22 closer to 1.2, 1.3 billion versus the 1.146 I'm reflecting here  
23 but even with that increase in the floor, we'll still be above  
24 the floor with the projected balances based on what we see so  
25 far. The Employment and Training Investment Account is the tenth

1 of a percent that's put into this fund, 5128, and it really  
2 serves two purposes. One is when the commission--when the trust  
3 fund is above the floor, it's used to fund basically the Skills  
4 appropriation. When we're below the floor which we're not  
5 projecting to be, you're supposed to transfer the amount into  
6 the Unemployment Insurance Trust Fund to the point that you  
7 bring the fund back above the floor that you basically deplete  
8 the 5128 account. So right now if you look on section 3.04, that  
9 39.8 million, that reflects--so we were above the floor October  
10 1, 2022, so that reflects basically the transfer we did to fund  
11 the 2023 Skills appropriation of about 19.8 million, and  
12 projects us funding the 2024 Skills appropriation which would be  
13 another 19.8 billion this coming September. Because the transfer  
14 didn't happen until after October 1<sup>st</sup> of last year for '23,  
15 that's why it's shown in the '23 column but it's really two  
16 appropriation years for the Skills funds that would be  
17 appropriated, and it doesn't increase the Skills appropriation.  
18 It basically just funds it and then the GR goes back to the  
19 controller's office. That kind of concludes my presentations and  
20 I'd be happy to answer any questions.

21 CHAIRMAN DANIEL: Any questions or comments?

22 COMMISSIONER DEMERSON: Chris, you said 20  
23 million, right?

24 CHRIS NELSON: Yes. The Skills approp?

25 COMMISSIONER DEMERSON: Yes.

1                   CHRIS NELSON: Yes, but it does not include  
2 JET. It's just the Skills appropriation that's laid out in  
3 statute so it's about 19.8 million per year.

4                   COMMISSIONER DEMERSON: I keep hearing that  
5 B, billion [inaudible].

6                   CHRIS NELSON: Oh, million.

7                   COMMISSIONER DEMERSON: Million.

8                   CHRIS NELSON: Yes, yes.

9                   COMMISSIONER DEMERSON: OK.

10                  CHRIS NELSON: Not billion.

11                  CHAIRMAN DANIEL: It's hard to know with  
12 him, he gives [inaudible].

13                  CHRIS NELSON: That would be a big  
14 exceptional item.

15                  CHAIRMAN DANIEL: [Inaudible].

16                  CHRIS NELSON: That would be a big  
17 exceptional item to get it to B.

18                  CHAIRMAN DANIEL: Just M's today, no B's-  
19 well, there's some B's in here.

20                  CHRIS NELSON: Say again.

21                  CHAIRMAN DANIEL: There's some billions.

22                  CHRIS NELSON: Oh, yes.

23                  CHAIRMAN DANIEL: Are there any trillions?

24                  CHRIS NELSON: No.

25                  CHAIRMAN DANIEL: Not yet, all right.

1 COMMISSIONER DEMERSON: Nothing else here?

2 COMMISSIONER TREVIÑO: Nothing else.

3 CHRIS NELSON: Thank you.

4 CHAIRMAN DANIEL: Thank you.

5 CHAIRMAN DANIEL: All right, let's see here.

6 On Agenda Items 9 through 12 which are standing agenda items but

7 I don't think we have anything for any of those today. All

8 right. Is there a legislative report today? I think your

9 speculation is correct, Commissioner Demerson.

10 COMMISSIONER DEMERSON: All right.

11 CHAIRMAN DANIEL: Is there an executive

12 director's report today?

13 MR.SERNA: No, sir.

14 CHAIRMAN DANIEL: The time is now 9:32. The

15 Texas Workforce Commission is going into executive session, Room

16 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). The

20 executive session has concluded. The time is 9:43. All right. Is

21 there any other order of business to come before the commission?

22 COMMISSIONER DEMERSON: Commissioner, I

23 wanted to officially welcome Commissioner Treviño on board.

24 Delighted to have him here, and congratulations on completing

25

1 your first docket as well, and almost your first commission  
2 meeting but welcome aboard.

3 COMMISSIONER TREVIÑO: Thank you so much.

4 COMMISSIONER DEMERSON: No other from me.

5 CHAIRMAN DANIEL: Nothing? Do you have  
6 anything you'd like to share?

7 COMMISSIONER TREVIÑO: No, I just want to  
8 thank Chairman Daniel, Commissioner Demerson, and the staff here  
9 at Texas Workforce Commission for welcoming me into their arms,  
10 and it's been very enlightening and eye opening, and I'm very  
11 pleased to be here. It's a great workforce and I'm very happy  
12 and proud to have been appointed to this position. Hopefully  
13 I'll do my best. I know I will with everybody that's here behind  
14 me. Thank you.

15 CHAIRMAN DANIEL: Thank you. Commissioner, I  
16 can already see your—just how much influence you're going to  
17 have. There's staff people here at this meeting I haven't seen  
18 in months. That's pretty influential, and not just Lowell. I  
19 mean there's a lot of other staff people out there. Welcome.  
20 Thank you. Good meeting. We didn't set any records this time but  
21 I thought we had a solid meeting. We got through a lot of  
22 business. If you would, I hope you're able, I hope everyone's  
23 able. We've put together just a small little welcoming reception  
24 in, I call it the green room. It's the room next door here, to  
25 welcome Commissioner Treviño. Please join us there immediately

1 following this meeting. If there's no other business, we would  
2 need a motion to adjourn.

3 COMMISSIONER DEMERSON: So moved.

4 CHAIRMAN DANIEL: It's been moved.

5 COMMISSIONER TREVIÑO: I second the motion  
6 to adjourn.

7 CHAIRMAN DANIEL: And seconded, and we're  
8 adjourned. Thank you.

9 COMMISSIONER TREVIÑO: Thank you.

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