



MEETING OF THE
TEXAS WORKFORCE COMMISSION

DATE

JUNE 9, 2026

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Tuesday, June 9, 2026

CHAIRMAN ESPARZA: Good morning, everybody.
This meeting is called to order. Mr. Trobman, any, uh, anybody
sign up for public comment?

MR. TROBMAN: No, sir.

CHAIRMAN ESPARZA: No public comment today.
Uh, I now turn the meeting over to Commissioner Connett to
preside over Agenda Items 3 through 8 [inaudible].

COMMISSIONER CONNETT: And the motion passes
with the exceptions noted. That concludes our work on Agenda
Items 3 through 8. Chairman Esparza, I pass the meeting back
over to you.

CHAIRMAN ESPARZA: Very good. Thank you,
commissioner. Uh, we'll pause for the shuffle. Thank you. We
will continue on, uh, Agenda Item 9, uh, Reagan Miller, come on
up, uh. This is regarding child care statewide initiatives.
Thank you, Reagan.

REAGAN MILLER: OK, good morning, Chairman,
commissioners, and Mr. Pier. I'm Reagan Miller with the Child
Care & Early Learning Division. Today we're bringing forward
proposed fiscal year 27 child care statewide initiatives. There
are a few proposed changes that I want to highlight. Uh, for
some background context, Mr. Pier has asked us to examine all of
our statewide initiatives in light of the very long waiting list
that we have right now and determine if there are any

1 initiatives that can be scaled back in order for TWC to dedicate
2 our limited resources towards providing more child care
3 subsidies. So with this in mind, you'll see several reductions
4 to the existing statewide initiatives, uh, in your packet and
5 there are two initiatives that I want to specifically highlight
6 which we're recommending not to be continued. So the first for
7 Track 76013, Staff Retention Strategies which is on row 8, we
8 are not recommending continued funding for this beginning in
9 fiscal year 27. While we have funded this grant for many years,
10 we're still unable to clearly see if the services that we have
11 been providing have had an impact on staff retention within the
12 child care programs whose directors participated in the program.
13 While our grantee has data from surveys that indicate there are
14 positive changes in work climate, we don't have the data on
15 staff turnover. We do plan to analyze turnover rates when HHSC
16 data becomes available in 2027 and if the analysis shows good
17 outcome data, we may bring this statewide initiative back for
18 future consideration. And then secondly for Track 76065, Child
19 Care Expansion that's on row 25, we're recommending that the
20 commission modify the 25,000,000 that was approved in fiscal
21 year 26 and discontinue that initiative beginning with fiscal
22 year 96. We have not yet awarded that FY26 funding and if you
23 concur with discontinuing this initiative, we'll terminate the
24 procurement process that's currently going on right now. I do
25 want to note that this is an initiative that we began funding

1 with stimulus funding. Prior to stimulus funding we did not have
2 any initiatives, uh, of this type. Uh, as we've been looking at
3 the data that we have for child care programs that receive
4 stimulus expansion funds, the outcomes are not what we hoped,
5 and given our very large waiting lists, we believe that
6 prioritizing these funds to support more children in care is
7 appropriate. If you agree, then we would plan to bring back an
8 increase to the fiscal year 27 board allocations which you just
9 approved last week. Uh, we'll bring back based on the reduction
10 to these initiatives and increase to the allocation, and we'll
11 do that at the same time we bring forward our performance
12 targets. Uh, we're looking at bringing those back, uh, mid-July
13 timeframe. Uh, I also want to note that pulling back on
14 investments that we've been making, uh, in statewide initiatives
15 is never easy but given the significant amount of feedback that
16 we've had from families, from providers, and from other child
17 care stakeholders, uh, we believe that rebalancing our quality
18 versus direct care is appropriate, uh, and again reducing our
19 statewide initiatives will allow us to increase our allocation
20 and provide financial assistance to serve more children in
21 fiscal year 27. And with that I'm happy to answer any questions.

22 CHAIRMAN ESPARZA: Excellent, Reagan. Thank
23 you so much. Uh, Commissioners Treviño and Connett, [inaudible]
24 you all have any questions or comments?

1 COMMISSIONER TREVIÑO: Uh, well, we had a
2 lot of questions that we asked over the week and got your
3 responses. Thank you for that but I would like to request that,
4 uh, we receive a quarterly grant updates for expenditures,
5 performance measures, and outcomes so we can get a handle of
6 that and not have to do it all at one.

7 REAGAN MILLER: You bet.

8 COMMISSIONER TREVIÑO: Thank you.

9 COMMISSIONER CONNETT: Reagan, I want to
10 thank you. You and Alison were very responsive to, to our
11 questions as this was briefed and proposed. I also want to say
12 thank you to, to, to you and Steve for the outcomes-related
13 focus, uh, as well as the direct service focus as to, to, to, to
14 your end it's not necessarily easy but it may be the, the, the
15 right thing to do and I'm grateful for these first steps. Thank
16 you.

17 CHAIRMAN ESPARZA: Very good. Is there a
18 motion?

19 COMMISSIONER TREVIÑO: Chairman, I move that
20 we approve the child care statewide initiatives as part of
21 fiscal year 2027 operating budget and the fiscal years 2028-2029
22 Legislative Appropriations Request as presented and discussed
23 today.

24 COMMISSIONER CONNETT: And I second the
25 motion.

1 CHAIRMAN ESPARZA: I also vote yes. The
2 motion passes. Thank you, Reagan.

3 REAGAN MILLER: Thank you.

4 CHAIRMAN ESPARZA: [Inaudible]. Uh, Item
5 number 10 regarding, uh, reemployment services, uh, RESEA.

6 SUZETTE ROBINSON: Good morning, Chairman
7 Esparza, commissioners, and Mr. Pier. I'm Suzette Robinson with
8 the Workforce Development Division. TWC's RESEA program has been
9 awarded a performance outcome payment for the fourth year in a
10 row and as a result of meeting, as a result of meeting DOL's
11 target for UI duration and reemployment. Staff proposes
12 distributing the outcome payment using the methodology described
13 in the discussion paper. All boards contributed to the
14 achievement of the performance outcome payment and distrib, and
15 the distribution table recommends a funding allocation for all
16 boards. Staff recommends amending the board contracts for board
17 contract year 2026 to distribute \$3,108,441 of the FY2025
18 performance outcome payment to boards as outlined in the table
19 in the discussion paper. And I'm happy to answer any questions
20 you have.

21 CHAIRMAN ESPARZA: Thanks, Suzette. Uh,
22 commissioners, any, any comments or questions?

23 COMMISSIONER TREVIÑO: Uh, just a comment,
24 Suzette. Thank you and thank your team for this, uh.

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1 SUZETTE ROBINSON: You're welcome,
2 commissioner.

3 COMMISSIONER CONNETT: Thank you.

4 CHAIRMAN ESPARZA: Is there a motion?

5 COMMISSIONER TREVIÑO: Chairman, I move that
6 we approve the amendment of board contract year 2026 board
7 contracts to distribute \$3,108,441 of the fiscal year 2025 RESEA
8 performance outcome payment to boards as described in the
9 discussion paper and recommended today by staff.

10 COMMISSIONER CONNETT: And I second the
11 motion.

12 CHAIRMAN ESPARZA: I also vote yes. The
13 motion passes. Thank you, Suzette. Uh, Agenda Item 11 regarding
14 adoption of amendments related to duration of advisory
15 committees. Mr. O'Brien.

16 REED O'BRIEN: Good morning, Chairman
17 Esparza, Commissioner Connett, Commissioner Treviño, and Mr.
18 Pier. For the record, I'm Reed O'Brien with the Office of
19 General Counsel. Uh, commissioners, before you today for your
20 consideration is the adoption of a final rule amending Chapter
21 800, General Administration. This rulemaking creates a new
22 Subchapter E to establish abolishment dates for three TWC
23 advisory committees as authorized under Texas Government Code
24 Chapter 2110. These committees are the Industry-Based
25 Certifications Advisory Council, the Jobs and Education for

1 Texans Advisory Committee, and the Lone Star Workforce of the
2 Future Advisory Board. The proposed abolishment date for each
3 committee is December 31, 2035. On March 24, 2026, the
4 commission approved the proposed rule for publication in the
5 Texas Register for a 30-day public comment period. No comments
6 were received and no changes were made to the text as originally
7 proposed. Staff recommends adopting these amendments to Chapter
8 800. Additionally, staff requests the ability to make minor
9 nonsubstantive changes to the document as needed to conform with
10 the publication requirements of the Texas Register and the
11 Office of the Secretary of State. And that concludes my
12 presentation. I'm available for any questions.

13 CHAIRMAN ESPARZA: Thanks, Reed. Uh,
14 commissioners, any comments or questions?

15 COMMISSIONER TREVIÑO: Uh, nothing here.

16 COMMISSIONER CONNETT: None here. Thank you.

17 CHAIRMAN ESPARZA: Uh, is there a motion?

18 COMMISSIONER TREVIÑO: Chairman, I move that
19 we adopt the amendments to 40 Texas Administrative Code Chapter
20 800, General Administration, as recommended today by staff.

21 COMMISSIONER CONNETT: I second that motion.

22 CHAIRMAN ESPARZA: [Inaudible]. I also vote
23 yes. The motion passes. On to Agenda Item 12, uh, adoption of
24 proposed repeal of 40 TAC Chapter 806.

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1 REED O'BRIEN: All right, yes. Again,
2 commissioners, for the record, I'm Reed O'Brien with the Office
3 of General Counsel. And, uh, before you today for your
4 consideration is the adoption of a final rule amending Chapter
5 806, Purchases of Products and Services from People with
6 Disabilities. This rulemaking repeals Subchapter J, Transition
7 and Retention Plans, following the expiration of its enabling
8 statute. Subchapter J was originally established to help
9 community rehabilitation programs transition to paying their
10 workers with disabilities at least the federal minimum wage, and
11 that's a requirement for participation in the Purchasing from,
12 uh, People with Disabilities program, and while these transition
13 rules are no longer necessary, the minimum wage requirement
14 remains in effect and TWC continues to enforce that standard
15 through existing statutes and rules, quarterly wage record
16 reporting, and regular compliance monitoring. On March 24, 2026,
17 the commission approved a proposed rule for publication in the
18 Texas Register for a 30-day public comment period. No comments
19 were received and no changes have been made to the, uh, uh, text
20 as originally proposed so staff recommend adopting these
21 amendments to Chapter 806, and additionally we request the
22 ability to make minor nonsubstantive changes in order to comply
23 with the Texas Register and the Office of the Secretary of
24 State. And that concludes my presentation. I'm available for any
25 questions.

1 CHAIRMAN ESPARZA: Thank you, Reed. Uh,
2 commissioners, any comments or questions?

3 COMMISSIONER TREVIÑO: Uh, none here.

4 COMMISSIONER CONNETT: No, none here. Thank
5 you.

6 CHAIRMAN ESPARZA: Is there a motion?

7 COMMISSIONER TREVIÑO: Chairman, I move that
8 we adopt the repeal of 40 Texas Administrative Code Chapter 806,
9 Purchases of Products and Services from People with
10 Disabilities, Subchapter J, Transition and Retention Plans, as
11 recommended today by staff.

12 COMMISSIONER CONNETT: Second.

13 CHAIRMAN ESPARZA: The motion has been
14 seconded. I also vote yes. The motion passes. Uh, Agenda Item
15 13, adoption of amendments to 40 TAC Chapter 838 which is TIRA.
16 Uh, Mr. O'Brien.

17 REED O'BRIEN: Yes, Chairman, and this is
18 the final of the, of the rule items for today. Uh,
19 commissioners, again before you for your consideration for
20 adoption is a final rule amending Chapter 838, Texas Industry-
21 Recognized Apprenticeship Grant Program or TIRA for short. This
22 rulemaking implements House Bill 3260 as enacted by the 89th
23 Texas Legislature which amended Chapter 302 of the Labor Code.
24 These changes increase flexibility within the TIRA Grant Program
25 and expand TWC's authority to recognize apprentice-able

1 occupations and certify industry-recognized apprenticeship
2 programs. On February 3, 2026, the commission approved the
3 proposed rule for publication in the Texas Register for a 30-day
4 public comment period. We did receive comments and they are
5 responded to in this final rule but no changes were made to the
6 text as originally proposed. Staff recommends adopting these
7 amendments to Chapter 38 and additionally we request the ability
8 to make any minor nonsubstantive changes to comply with the
9 Texas Register and the Office of the Secretary of State's
10 requirements. That concludes my presentation. Do you have any
11 questions?

12 CHAIRMAN ESPARZA: Very good. Uh,
13 commissioners, any comments or questions?

14 COMMISSIONER TREVIÑO: Uh, none here.

15 COMMISSIONER CONNETT: No, none here. Thank
16 you.

17 CHAIRMAN ESPARZA: Uh, Reed, if you'll allow
18 me, I have one, uh, one comment to make or a question to be, uh,
19 set into the record, uh, responding to a public comment about,
20 uh, whether or not there'll be flexibility going forward to
21 allow TWC to certify occupations outside of the state's top 25
22 targeted occupation list and the DOL registered apprenticeship
23 list. I, I, I understand that this kind of is the, uh, purpose
24 of TIRA, uh. Will, will that, does that hold true as far as
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1 having the flexibility to, uh, certify outside of top 25 and DOL
2 registered apprenticeship list?

3 REED O'BRIEN: Based on, on previous, uh,
4 questions I believe so but Mary York is, uh, is, is that
5 correct, Mary?

6 CHAIRMAN ESPARZA: We'll submit her, her
7 smile and a verbal yes [inaudible].

8 REED O'BRIEN: OK, thank you.

9 CHAIRMAN ESPARZA: I'm OK with that too.
10 Thank you very much. Thank you, Mary, appreciate it. Uh, Reed,
11 thanks again for all the work, again everybody who's working to
12 get this, uh, this grant stood up. Uh, we appreciate it.
13 Flexibility is, is the, is the key, uh, for a flexible, uh, uh,
14 economy all across the state so thanks, commissioners, as well.
15 Uh, is there a motion?

16 COMMISSIONER TREVIÑO: Chairman, I move that
17 we adopt the amendments to 40 Texas Administrative Code Chapter
18 838, Texas Industry-Recognized Apprenticeship Grant Program, as
19 recommended today by staff.

20 COMMISSIONER CONNETT: Second.

21 CHAIRMAN ESPARZA: I also vote yes of
22 course. The motion passes. Thank you, Reed. One more from Reed
23 though, Agenda Item 14, local Workforce Development Board
24 nominees. [Inaudible]. Are you? Oh, I'm sorry. Oh, there's Kara.

25 REED O'BRIEN: I'd, I'd have to wing it but—

1 CHAIRMAN ESPARZA: [Inaudible]. Thank you.

2 KARA LEVY: Good morning, Chairman,
3 commissioners.

4 CHAIRMAN ESPARZA: [Inaudible].

5 KARA LEVY: And Mr. Pier.

6 CHAIRMAN ESPARZA: Thanks, [inaudible].

7 KARA LEVY: For the record, Kara Levy with
8 Workforce Development Division. Uh, today for your consideration
9 we have Workforce Board nominations for the following board:
10 Workforce Solutions Heart of Texas. Staff present these
11 nominations for your consideration and I'm happy to answer any
12 questions you have.

13 CHAIRMAN ESPARZA: Very good. Kara, thank
14 you so much. Uh, commissioners, any comments or questions?

15 CHAIRMAN ESPARZA: Uh, none here.

16 COMMISSIONER CONNETT: No, thank you.

17 CHAIRMAN ESPARZA: I have no comments or
18 questions. Is there a motion?

19 COMMISSIONER TREVIÑO: Chairman, I move that
20 we approve the local Workforce Development Board member nominees
21 presented today for Workforce Solutions Heart of Texas.

22 COMMISSIONER CONNETT: Second.

23 CHAIRMAN ESPARZA: I also vote yes. The
24 motion, the motion passes. Appreciate it. Thank you, Kara.
25 Didn't mean to skip you. Uh, Michael Britt, anything? Shaking

1 his head no. Uh, Steve, is there a report, uh, on Item 19? No,
2 in that matter too. Uh, Grace Arnold, our next intern in line,
3 uh, will join, uh, Nuhan over at our office if you all have any
4 comments or questions about anything in general, uh, come ask
5 Grace. She's been great. Her second day on the road with us so
6 we appreciate all the [inaudible] she's joining us for the
7 summer so now we are, we're full at two. All right, [inaudible]
8 we're going to have two this summer. Uh, commissioners, anything
9 else that you [inaudible] or comments?

10 COMMISSIONER CONNETT: No, thank you.

11 COMMISSIONER TREVIÑO: No, thank you.

12 CHAIRMAN ESPARZA: Is there a motion to
13 adjourn?

14 COMMISSIONER TREVIÑO: Uh, Chairman, I move
15 to adjourn.

16 COMMISSIONER CONNETT: And I second.

17 CHAIRMAN ESPARZA: I also vote yes. We are
18 adjourned. Thank you, all.

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