



MEETING OF THE
TEXAS WORKFORCE COMMISSION

DATE

SEPTEMBER 2, 2025

1 Tuesday, September 2, 2025

2 COMMISSIONER TREVIÑO: Good afternoon,
3 everyone. This meeting is called to order. Mr. Trobman, has
4 anyone signed up for public comment?

5 MR. TROBMAN: [Inaudible]

6 Thank you. Let's move on then to, uh,
7 policy agenda items for today. This is going to be Agenda Item
8 3, 2025 Child Care Allocations Deferral.

9 ALLISON WILSON: I was more worried about
10 the height than the light. Uh, good afternoon, uh, Allison
11 Wilson, for the record, with the Child Care & Early Learning
12 Division. During BCY Board Contract Year '25, TWC launched a new
13 child care case management system. Local Workforce Boards and
14 their child care contractors had to learn the new system and
15 work through several post-launch implementation challenges. As a
16 result some boards were unable to enroll as many children in the
17 child care services program as anticipated and they have BCY'25
18 child care fund balances. Boards with available balances would
19 like to retain these funds to ensure they're expended within
20 their workforce areas. Under commission rules, 800.76 and 800.77
21 on Voluntary Deobligation and Reallocation of Funds, boards
22 could defer a portion of their BCY'25 allocation to their '26
23 allocation. Five boards have requested such deferrals.
24 Borderplex at 3.5 million, Central Texas at 1.75 million, Heart
25 of Texas at 1.75 million, Panhandle at 2.3 million, and West

1 Central at 800,000. With the deferral of these funds staff
2 recommends reductions to the boards '25 performance targets for
3 the average number of children served per day and an increase in
4 their BCY'26 targets. We are also recommending that 100 percent
5 of the deferral amount be used to calculate the new BCY'26
6 targets with no set-aside for administration or operations. In
7 closing, staff recommends that the commission approve the
8 requested allocation deferrals and the associated performance
9 target adjustments as detailed in the discussion paper. That
10 concludes my remarks and I'm happy to answer any questions.

11 COMMISSIONER TREVIÑO: Thank you.

12 Commissioner Esparza, do you have any questions or comments?

13 COMMISSIONER ESPARZA: Only one. Uh, do, do
14 the boards have the opportunity to do this on each, each cycle?
15 Is it pretty regular that, that they move or is it kind of a
16 one-time [inaudible]?

17 ALLISON WILSON: This, this was is unusual
18 and it is, uh, as mentioned, really tied to the implementation
19 of our new system that really slowed down enrollments.

20 COMMISSIONER ESPARZA: It's a system
21 [inaudible]. Got you. Yeah, OK. Thank you very much. No
22 questions. Thank you, Allison.

23 COMMISSIONER TREVIÑO: Thank you. I move
24 that we approve the deferral of allocations of child care
25 services funds from Board Contract Year 2025 to BCY'2026, and

1 the adjustments to the average number of children served per day
2 performance targets as described in the discussion paper and
3 recommended today by staff.

4 COMMISSIONER ESPARZA: Second.

5 COMMISSIONER TREVIÑO: OK. Motion carries.
6 Thank you. Move on to Agenda Item 4, Financial Status of
7 Unemployment Trust Fund Balance.

8 CHRIS NELSON: Good afternoon,
9 commissioners, Mr. Serna. For the record, Chris Nelson, chief
10 financial officer. Uh, this afternoon I'll go over the final,
11 uh, 2025 projection. This will be the projected balance as of
12 September 30th, uh, 2025. So, you know, we started the year with
13 1.57 billion. Right now I'm projecting 2.1 billion in revenue.
14 Uh, I'm actually projecting to be below the floor, uh, so if you
15 see on Row 1.06, uh, in accordance with Section 204.123 of the
16 Texas Unemployment Compensation Act, when we're projecting to
17 be, uh, in September when we project to be under the floor, uh,
18 on October 1st, uh, we are directed to basically move the ETIA
19 funds in the ETIA account, uh, to the tune of 456.8 million into
20 the Trust Fund. Uh, this also includes the, uh, appropriated
21 revenue we got from the legislature, the 68 million, on 1.04.
22 Uh, and then projected benefits paid through September 30th of
23 3.197 billion, uh. All that leaves a projected balance of 992
24 million as of September 30th. Uh, right now that's projecting to
25 be 358 million below the floor, uh, as we got into tax ratings,

1 uh, uh, for 2026. So we, once we go through the end of
2 September, we'll calculate the final benefits paid for the year,
3 uh, and then I'll begin working with, uh, the tax department on
4 what the base tax rates would calculate to be sometime probably
5 in early December, uh, for your consideration. Uh, and that's
6 all I have at this time. Do you have any questions?

7 COMMISSIONER TREVIÑO: Thank you, Chris.
8 Commissioner Esparza, any questions or comments?

9 COMMISSIONER ESPARZA: No questions. Thanks,
10 Chris.

11 COMMISSIONER TREVIÑO: I just wanted to
12 thank you, Chris, and your staff for keeping an eye on this. I
13 know it's very important so thank you so much.

14 CHRIS NELSON: Thank you.

15 COMMISSIONER TREVIÑO: OK, we'll move to
16 Agenda Item 5, Board Nominations.

17 KARA LEVY: Good morning, commissioners, and
18 Mr. Serna. For the record, my name is Kara Levy with Workforce
19 Development Division. Today for your consideration we have
20 Workforce Board nominations for Workforce Solutions Middle Rio
21 Grande, North Texas, Coastal Bend, West Central, and Rural
22 Capital Area. Staff recommends approval on the presented
23 nominees. I'm here to answer any questions you have.

24 COMMISSIONER TREVIÑO: Commissioner Esparza,
25 any questions or comments?

1 COMMISSIONER ESPARZA: No questions.

2 COMMISSIONER TREVIÑO: Thank you. Very good
3 job, Kara. I move that we approve the local Workforce
4 Development Board member nominees presented today for the
5 following: Workforce Solutions Rio Grande or Middle Rio Grande;
6 North Texas; Coastal Bend; West Central Texas; and Rural Capital
7 Area.

8 COMMISSIONER ESPARZA: I second.

9 COMMISSIONER TREVIÑO: Uh, the motion
10 carries.

11 KARA LEVY: Thank you.

12 COMMISSIONER TREVIÑO: Agenda Item 6, 2025
13 Sunset Self-Evaluation Status Report.

14 KAREN LATTA: Good afternoon, commissioners.
15 Uh, my name is Karen Latta. I'm here to announce to you that we
16 have submitted our Sunset self-evaluation report to the Sunset
17 Commission. Uh, we sent that in on Friday ahead of the deadline,
18 and, uh, you all should have received one hard copy in your
19 office. It's a long document so we had to put it in a big
20 binder. Uh, it is also available on, uh, the TWC website under
21 the Agency Reports section so it's publicly available. Uh, we
22 also have a SharePoint site that we created for Sunset staff
23 that has all of the exhibits and attachments that they had asked
24 for in addition to that so that is all done and the next step is
25 our actual Sunset review where the Sunset staff will come to TWC

1 and do their evaluation of us, and they have told us that they
2 are going to be doing that this fall, and so we have started
3 planning for our introductory meeting with them at the end of,
4 uh, or in late September so that's what I have to report today.
5 Any questions?

6 COMMISSIONER TREVIÑO: Thank you.

7 Commissioner Esparza, any questions or comments?

8 COMMISSIONER ESPARZA: No questions. Thanks,
9 thanks for the work. That's heavy lifting so you and your
10 response team, appreciate it.

11 COMMISSIONER TREVIÑO: Yeah, thank you,
12 Karen.

13 KAREN LATTA: Thank you.

14 COMMISSIONER TREVIÑO: All right, moving
15 along, is there a legislative report today? Seeing no tie in the
16 back—

17 COMMISSIONER ESPARZA: No tie.

18 COMMISSIONER TREVIÑO: Uh, thank you. Is
19 there an executive director's report today?

20 MR. SERNA: Yes, sir. One quick item. Just
21 want to make sure that you all are aware that we're going to be
22 submitting an application, uh, for a child care grant, uh, as
23 part of the American Relief Act, Relief Act. Congress is
24 providing, uh, an additional 250 million to states, uh, in child
25 care and development fund disaster recovery for disasters that

1 were declared back in fiscal '23 and '24. Uh, we intend on
2 pursuing this, uh, to address some, uh, infant and early
3 childhood mental health issues, uh, which is something that's
4 acceptable under the grant, uh, so we'll be pursuing that
5 funding. If you all want additional information, we can provide
6 more. We're not going to really pursue anything with regard to,
7 uh, the other opportunities that are in the grant because we
8 think it'd be kind of difficult based on some of the
9 conversations we've had to be able to get receipts and all that.
10 They're going to have to have proof of, of the recovery money
11 but the child care mental health is something we can justify and
12 we will be. And that's all I have to report.

13 COMMISSIONER TREVIÑO: OK, thank you very
14 much. Is there any other order of business to come before the
15 commission today?

16 COMMISSIONER ESPARZA: No, sir.

17 COMMISSIONER TREVIÑO: I've just got a
18 couple of things real quick. Uh, wanted to wish Madeleine a
19 birthday week, happy birthday week, and I also want to, uh,
20 introduce, uh, we have a justice from the 13th Court of Appeals
21 here today visiting, Clarissa Silva. She's also my niece
22 visiting so, uh, just wanted to, uh, introduce her as well.

23 COMMISSIONER ESPARZA: Welcome, Justice
24 Silva. Thank you for being here. Uh, forgive us. Had we known or
25 had I known, I would have insisted to bring you up here where

1 you'd feel more at home to, you know, sit up here. Thank you for
2 coming up. Wonderful.

3 COMMISSIONER TREVIÑO: Thank you, all. OK,
4 I'll entertain a motion to adjourn.

5 COMMISSIONER ESPARZA: I motion.

6 COMMISSIONER TREVIÑO: I second the motion.
7 The motion has been moved and seconded, seconded. The, uh,
8 meeting is adjourned. Thanks, everybody.

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