



MEETING OF THE
TEXAS WORKFORCE COMMISSION

DATE

OCTOBER 7, 2025

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Tuesday, October 7, 2025

CHAIRMAN ESPARZA: Good morning, all. The time is 10:00 a.m. This meeting is called to order. Here's Les. Mr. Trobman, has anyone signed up for public comment? Oh, Les. I'm sorry. I was supposed to hang on for you, right? Strike one.

MR. TROBMAN: Good morning, commissioners. Les Trobman, general counsel. We do not have anyone signed up for public comment this morning.

CHAIRMAN ESPARZA: Thank you, Les.

MR. TROBMAN: Yes, sir.

CHAIRMAN ESPARZA: Thank you. We'll pause for get ready for the rest of the meeting.

CHAIRMAN ESPARZA: I think we're all probably all here. Continuing on, excuse me, Item 5, Discussion and Consideration on Possible Action Regarding an Order to Adopt Program Year 2025/Fiscal Year 2026 Adult Education and Literacy. Chris, Chris Nelson, come on up. Thank you.

CHRIS NELSON: Good morning, Chairman Esparza, Commissioner Treviño, Commissioner Connett. Uh, Mr. Serna. For the record, Chris Nelson, chief financial officer. On May 20, 2025, I brought forward the FY26/PY25 adult education allocations for provider grants with an effective date of July 1, 2025. At that time, TWC had not received a planning estimate from the Department of Education on the amount that would be available on July 1st. The packet I've requested approval for

1 only included 50 percent of the estimated, uh, federal funds
2 that would be available and 100 percent of the TANF and state
3 general revenue funds. The packet did not include EL civic
4 program funding. In August, TWC received the federal allotment
5 for the adult education and EL civics program funding, and this
6 morning I am bringing forward the AEL allocation in accordance
7 with TWC rules which includes a provision to give priority in
8 awarding funds to entities that consistently satisfy annual
9 performance requirements. The EL civics funding is distributed
10 based on the ratio of funds awarded from the current procurement
11 of providers. This morning I am seeking approval of the
12 FY26/PY25 adult education allocation in the amount of
13 \$75,153,330. That concludes my comments and I'd be happy to
14 answer any questions.

15 CHAIRMAN ESPARZA: Thank you, Chris.
16 Commissioner Treviño or Commissioner Connett, do you have
17 comments or questions?

18 COMMISSIONER TREVIÑO: Uh, nothing here.

19 COMMISSIONER CONNETT: No, sir.

20 CHAIRMAN ESPARZA: Uh, Chris, I do have a
21 question but it'll probably stand for a brief on later.
22 Basically, we were looking for the percentage of funds that are
23 typically spent down by the providers each year. Uh, and also,
24 we anticipate any challenges with the full expenditure in this
25 cycle. And that, that can be a brief later.

1 CHRIS NELSON: We can get with your office.
2 We can coordinate that with Mary York's team and brief your
3 office on it.

4 CHAIRMAN ESPARZA: OK. Commissioner Treviño,
5 is there a motion?

6 COMMISSIONER TREVIÑO: Uh, Chairman, I move
7 that we accept or adopt program year 2025/fiscal year 2026 adult
8 education and literacy block grant allocations in the amount of
9 \$75,153,330 as recommended today by staff.

10 COMMISSIONER CONNETT: I second.

11 CHAIRMAN ESPARZA: Also vote yes. The motion
12 passes. Thanks, Chris. Uh, Item 6, Discussion, Consideration and
13 Possible Action Regarding the Texas Workforce Commission Fiscal
14 Year 26 Operating Budget. Uh, Chris Nelson.

15 CHRIS NELSON: For the record, Chris Nelson,
16 chief financial officer. Uh, with the passage of SB 1 of the 89th
17 Legislative Session, TWC received its general appropriation
18 amounts for the FY26 and FY27 years. Today, I am bringing
19 modifications to the 2026 GAA amounts as part of our 2026
20 operating budget we will submit in November to the Legislative
21 Budget Board. Before you and for your approval is a proposed
22 operating budget in the amount of \$3,059,902,442, which is 65.3
23 million higher than the 2025, 2026 GAA amount, uh, mostly due to
24 carry forward of federal funds and general revenue dedicated
25 funding awarded in 2025 through a supplemental appropriation. It

1 also includes TWC's FTE budget of 5,087.4, which is higher than
2 the GAA amount of 5,066, due to an increase of 100 percent
3 federally funded positions. The schedule lays out the amounts
4 by, budgeted by method of finance, strategy, and object of
5 expense. Also included is the 2026 management fee for WorkQuest
6 in the amount of 5.8 percent of net commission on contracts in
7 accordance with Chapter 122 of the Human Resources Code. That
8 concludes my comments and I'd be happy to answer any questions.

9 CHAIRMAN ESPARZA: Thanks, Chris.

10 Commissioner Treviño or Connett, do you have any comments?

11 COMMISSIONER TREVIÑO: Uh, I just wanted to
12 take this opportunity, Chris, to thank you again and your staff
13 for all the work you did, uh, to prepare this operating budget.

14 CHAIRMAN ESPARZA: As do I. Uh, one question
15 that we've, we were talking about in our offices, if you look at
16 unappropriated funds that, uh, range about 200 million, uh,
17 would you, would you be able to talk about what kind of
18 activities are included and how flexible those are, those funds
19 are?

20 CHRIS NELSON: The vast majority of the
21 unappropriated is benefits.

22 CHAIRMAN ESPARZA: OK.

23 CHRIS NELSON: So benefits from a state
24 appropriations standpoint do not count toward our appropriated
25 budget, so, because we're so heavily federally funded, we still

1 kind of, you know, mark that on the budget documents because it
2 does come out of the, most of it comes out of the federal grant
3 funding we receive, but it's technically not part of the
4 appropriated budget that you see in the GAA.

5 CHAIRMAN ESPARZA: OK. Thanks, Chris, for
6 that. Appreciate it. Is there a motion?

7 COMMISSIONER TREVIÑO: Uh, Chairman, I move
8 that we approve the Texas Workforce Commission 2026 operating
9 budget as recommended today by staff.

10 COMMISSIONER CONNETT: I second the motion.

11 CHAIRMAN ESPARZA: I also vote yes. The
12 motion passes. Item 7, Discussion, Consideration and Possible
13 Action Regarding Approval of the Selection Decisions for the AEL
14 Healthcare Initiative for Internationally Trained Professionals.
15 Uh, James. James, come on up, James. Thank you.

16 JAMES GOLSAN: Good morning, chairman and
17 commissioners, and Mr. Serna. For the record, James Golsan with
18 the Workforce Development Division. Uh, today I'm presenting the
19 RFA selection decision for the AEL healthcare initiative for
20 internationally trained professionals, or ITPs. Briefly, the
21 purpose of this RFA is to develop and disseminate effective
22 models that expand Texas's ability to provide quality career
23 pathway services for English language learners who are ITPs with
24 healthcare-related degrees. By building the infrastructure to
25 create reemployment pathways for these skilled professionals,

1 Texas can increase its productivity, household earnings, and tax
2 contributions. The RFA evaluation team reviewed 10 eligible
3 applicants and selected one for the total available award of
4 \$500,000. Grants are anticipated to begin this month, October of
5 2025. This morning staff recommends approval of one award in the
6 amount of \$500,000 for the AEL healthcare initiative for ITPs.
7 I'd be happy to answer any questions you all might have.

8 CHAIRMAN ESPARZA: Commissioners, any
9 questions?

10 COMMISSIONER TREVIÑO: Uh, none here.

11 COMMISSIONER CONNETT: No, thank you.

12 CHAIRMAN ESPARZA: Thanks, James. Is there a
13 motion?

14 COMMISSIONER TREVIÑO: Chairman, I move that
15 we approve one grant award for the adult education and family
16 healthcare initiative for internationally trained professionals
17 in the amount of \$500,000 as described in the discussion paper
18 and recommended today by staff.

19 COMMISSIONER CONNETT: I second the motion.

20 CHAIRMAN ESPARZA: I also vote yes. The
21 motion passes. Thanks, James, appreciate it. Item 8, discussion
22 considering possible action regarding board contract year 2026.

23 SUZETTE ROBINSON: Good morning, chairman,
24 commissioners, uh, Mr. Serna. For the record, I'm Suzette
25 Robinson, RESEA department director for the Workforce

1 Development Division. The discussion paper before you lays out
2 the funding for the RESEA, uh, subsequent meeting pilot. The
3 funding levels for BCY 2026 are equivalent to the funding levels
4 for BCY 2025. The first table in the discussion paper
5 distributes \$2,916,000 to the original 12 boards participating
6 in phase I of the pilot, and the second table distributes
7 \$3,540,000 to the nine additional boards participating in phase
8 II. The distributions are funded by FY 2026 RESEA grants and
9 prior year grant, uh, balances. The pilot is going well and I am
10 happy to answer any questions that you may have.

11 CHAIRMAN ESPARZA: Commissioners, any
12 comments or questions?

13 COMMISSIONER TREVIÑO: Uh, none here.

14 COMMISSIONER CONNETT: No, thank you.

15 CHAIRMAN ESPARZA: Suzette, thank you for
16 your presentation. Uh, have you—can we discuss if any of the
17 boards are identifying any barriers for claimants that reduce
18 the—that may reduce attendance, uh, or com, uh, compliance with,
19 with these multiple meetings? Is it, is it a burden on them to,
20 to, to make this happen?

21 SUZETTE ROBINSON: So, what, what we've seen
22 is that the participation of, uh, has been actually greater, uh,
23 for the subsequent meetings. Uh, I think that, you know, because
24 the customer now receives additional information and additional
25 activities and then they have follow-up activities, uh, the

1 response has generally been good but the barriers, whether it's
2 transportation and child care, uh, that continues to be an issue
3 even for the initial appointment.

4 CHAIRMAN ESPARZA: OK. Thank you for that.
5 Uh, is there a motion?

6 COMMISSIONER TREVIÑO: Uh, Chairman, I move
7 that we approve the distribution of funds for the RESEA
8 subsequent meeting pilot phase I, year three, in the amount of
9 \$2,916,000, and the subsequent meetings pilot phase II, year
10 two, in the amount of \$3,540,000, to participating boards as
11 described in the discussion paper and recommended today by
12 staff.

13 COMMISSIONER CONNETT: I second.

14 CHAIRMAN ESPARZA: I also vote yes, the
15 motion passes. Thank you, Suzette. Next is Item 9, Discussion,
16 Consideration and Possible Action Regarding Approval of Local
17 Workforce Development Board Nominees.

18 KARA LEVY: Good morning, chairman,
19 commissioners, and Mr. Serna. Uh, for the record, I'm Kara Levy,
20 Workforce Development Division. Today for your consideration we
21 have Workforce Board nominations for Workforce Solutions
22 Borderplex, Deep East Texas, Tarrant County, Northeast Texas,
23 and West Central Texas. Staff recommends approval on the
24 presented nominees. I'm here to answer any questions you have.

25

1 CHAIRMAN ESPARZA: Thank you. Any questions,
2 chair, commissioners?

3 COMMISSIONER TREVIÑO: None here.

4 COMMISSIONER CONNETT: No, thank you.

5 CHAIRMAN ESPARZA: Great. I have no
6 questions either. Is there a motion?

7 COMMISSIONER TREVIÑO: Chairman, I move that
8 we approve the local Workforce Development Board member nominees
9 presented today for the following: Workforce Solutions
10 Borderplex; Deep East Texas; Tarrant County; Northeast Texas;
11 and West Central Texas.

12 COMMISSIONER CONNETT: I second.

13 CHAIRMAN ESPARZA: The motion has been, uh,
14 motioned and seconded. I also vote yes. The motion passes. Thank
15 you, Kara.

16 KARA LEVY: Thank you.

17 CHAIRMAN ESPARZA: On to Item 10,
18 discussion, consideration, and possible action for sunset. I
19 don't think we have anything there. Is there nothing? OK. Uh,
20 11, nothing and, nothing to respond to in 11. Executive
21 director's report is all, just the executive director's report.

22 UNIDENTIFIED: Yes.

23 CHAIRMAN ESPARZA: Mr. Serna, is there an
24 executive director's report today?

25

1 MR. SERNA: Uh, I know it's sunset related
2 but it's really not, uh, staff, you know, Karen updating you but
3 I did want to, uh, recognize three of our sunset review staff
4 that are hiding in the audience [inaudible] several rows back,
5 uh. They are Katie, Mara, and Chris who we've met with on a
6 couple of occasions. Look forward to continuing to work with
7 them so they've joined us. I also, though it's kind of late in
8 the committee meeting, wanted to, uh, recognize you as our new
9 chairman.

10 CHAIRMAN ESPARZA: OK.

11 MR. SERNA: Congratulations, and also our
12 new, uh, commissioner, Brent Connett, who joined us so we're
13 back to a full, uh, full commission and we can, uh, go back to
14 getting work done. With that, that's all I have for the
15 executive director's report.

16 CHAIRMAN ESPARZA: Thanks, Ed. Appreciate
17 that. Item 14, the following may be discussed in executive
18 session or open meeting. Uh, the time is now 10:14.

19 UNIDENTIFIED: [Inaudible].

20 CHAIRMAN ESPARZA: Oh, excuse me.

21 MR. SERNA: I'm terribly sorry. I thought, I
22 thought you had already briefed that.

23 CHAIRMAN ESPARZA: Sorry, Lowell. Come on.
24 What item is this? Are we still on [inaudible].

25 MR. SERNA: This is the—

1 CHAIRMAN ESPARZA: Are we still on 13 still?

2 MR. SERNA: Yes, sir. We're still on
3 executive director's report.

4 CHAIRMAN ESPARZA: OK. Sorry, Lowell. We
5 didn't mean--

6 LOWELL KEIG: All right. For the record,
7 Lowell Keig, Unemployment Insurance director. I have an update
8 relating to changes in the unemployment insurance weekly benefit
9 amounts or WBA for regular initial claims with an effective date
10 on or after October 5, 2025. The changes have no effect on
11 existing clients. Texas Labor Code Section 207.002 sets the
12 minimum and maximum weekly benefit amounts based on the labor
13 market information department's analysis of Texas's average
14 weekly wage in covered employment for the preceding calendar
15 year. For 2024, LMI calculated the average weekly wage was
16 1,404, \$1,444.37, an increase of \$59.57 or 4.3 percent over the
17 preceding calendar year. The minimum weekly benefit amount is
18 set at 7.6 of Texas's average weekly wage in covered employment
19 that may not increase by more than one dollar in any year. Since
20 the calculated amount exceeded the limit, the minimum weekly
21 benefit will increase by only one dollar to \$75 per week. The
22 maximum weekly benefit amount is set at 47.6 of Texas's average
23 weekly wage in covered employment but may not, may not increase
24 by more than \$14 in any year. Since the calculated amount
25 exceeded the limit, the maximum weekly benefit amount will

1 increase by \$14 to \$605 per week. To summarize, for regular
2 initial unemployment claims with an effective date on or after
3 October 5, 2025, the minimum weekly benefit amount will be \$75
4 and the maximum will be \$605. Again, this has no effect on
5 existing claims. Thank you to the LMI team and this concludes my
6 update. I'm available for any questions. Thank you.

7 CHAIRMAN ESPARZA: Thank you. Commissioners,
8 any questions for Lowell?

9 COMMISSIONER TREVIÑO: Uh, none here.

10 COMMISSIONER CONNETT: No, none. Thank you.

11 CHAIRMAN ESPARZA: All right. Thanks,
12 Lowell.

13 MR. SERNA: Sorry, sir. That's all for the
14 executive director's report. My, my mis-

15 CHAIRMAN ESPARZA: Lowell, you would know if
16 we were skipping you. Appreciate it. Uh, OK. Let's—time is now
17 10:16. The Texas Workforce Commission is now going in executive
18 session in Room 250B, is that 250B? I never looked at that.
19 Let's just go in there, and we'll change it. To discuss the
20 appointment, employment, duties of executive director, internal
21 auditor, executive staff, and other personnel pursuant to
22 Government Code 551.074(a)(1) so 10:16.

23 CHAIRMAN ESPARZA: Time is now 10:29. The
24 commission met in executive beginning at 10:16 and concluded at
25 10:27. Commissioners, is there any action to be taken? Excuse

1 me, before we do that, uh, I want to extend a moment of
2 privilege, uh, and just a, a basic announcement that I have
3 accepted and, uh, received a letter of intent for Ed Serna to
4 present his deliver, uh, his resignation, uh, effective on 10-
5 10, and, uh, I definitely want to make sure that, uh, we
6 acknowledge Ed Serna's service and we, uh, we appreciate
7 everything that he's done. Me, personally, I often talk, talk
8 about coming to you back in 2017, uh, when I was deputy
9 secretary of state, coming to you because we were told that you
10 were a great executive director, that did everything, did
11 everything right for, for, for, for the people in the state of
12 Texas, and you had years, decades of service to the state of
13 Texas so I, I commend you as a model of us just basically in
14 general so thank you, Ed, for those times of service and what
15 you did for this and being a steady hand through COVID and
16 everything you've done for the agency and the state of Texas so
17 I appreciate that. Uh, is there a motion to be taken
18 [inaudible]?

19 COMMISSIONER CONNETT: Yes, sir, Chairman. I
20 move that we appoint Randy Townsend to serve as interim
21 executive director effective October 11, 2025, at the current
22 salary level for the administrative head of the agency.

23 CHAIRMAN ESPARZA: I second. The motion is
24 made and seconded. The motion passes. Can I get a motion to
25 adjourn?

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

COMMISSIONER CONNETT: Concur, second.

CHAIRMAN ESPARZA: The motion is made and
seconded. I, the motion passes and we are adjourned.