



**WORK SESSION OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**JUNE 16, 2026**

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TWC Work Session 6-16-2026

CHAIRMAN ESPARZA: Well, uh, good morning, good afternoon, everybody again. Uh, we'll go ahead and kick, kick this off. We will call our work session to order. Les, we still ask for public comment, if we have anybody in public comment.

CHAIRMAN ESPARZA: OK, we can move on to, uh, Item 2, discussion and possible consideration of action regarding our statewide initiatives.

CHRIS NELSON: Good afternoon, Chairman, commissioners, Mr. Pier. Uh, so, today we're having a work session regarding our 2027 operating budget, statewide initiatives, and the statewide initiatives that will be included in our upcoming 2028-2029 Legislative Appropriation Request. Uh, this is one piece of the overall budget. We don't have act, uh, uh, LAR instructions yet, uh, but I assume they'll be out in the next 30 days, and generally, the LAR is due sometime between mid- to late, uh, August for TWC.

CHAIRMAN ESPARZA: Yep.

CHRIS NELSON: So this is one item of the budget that we'll, uh, include in the final packet that we actually submit, uh. This, since this covers '27, '28, '29, you have a document, I think, with you, uh, with staff recommendations of consolidation of funding. Uh, if you notice in the, in some of the balances, the balances, especially with

1 WIOA's, it's significantly lower, uh. The state took a basically  
2 a \$13,000,000 cut to our WIOA funding starting here July 1,  
3 2026, uh, and so that, that alters the amount, uh, as far as,  
4 uh, what's available. So, having said that, I will open it up  
5 and, uh, for the commission, commissioners or any staff that  
6 have thoughts concerning what the document that's been  
7 presented.

8 CHAIRMAN ESPARZA: Thanks, Chris. So, with  
9 that I think we're, you know, obviously in the spirit of having  
10 a Sunset, uh, it's Sunset week for us, right? Uh, we are seeing  
11 that \$13,000,000 cut and I think with Steve's initiative to  
12 really kind of address or, or, review all of the funding  
13 initiatives that we've had, uh, from us, to, to, I guess, uh,  
14 since creation or wherever we're at. Uh, to review what those  
15 programs are looking like, the consolidation, I'm glad to hear  
16 that we're, we're thinking, uh, we're thinking an organization  
17 about it and basically kind of looking at what's, what's still  
18 helpful, what's still being used, what has good return, and,  
19 again, we're, we're dealing with less money so we're having to  
20 be better and smarter at it so, uh, commissioners, I'll  
21 [inaudible] leave it to you guys if you all have, uh, any  
22 comments or questions that you all want to start the, uh, help  
23 start the conversation with, uh, and then I guess we can get to,  
24 to, the initiatives, any new initiatives you want to talk about.  
25 Does that feel right?

1 COMMISSIONER TREVIÑO: Sounds good to me.

2 CHAIRMAN ESPARZA: OK. Commissioner Connett.

3 COMMISSIONER CONNETT: Yeah, yeah, that  
4 works for me and I'll defer to Commissioner Treviño if he wants,  
5 if he has any opening comments.

6 CHAIRMAN ESPARZA: Do you have any questions  
7 or comments that you want to bring, bring about?

8 COMMISSIONER TREVIÑO: Uh, I mean just the  
9 only comment I would say is I appreciate all the staff that try  
10 to get all the answers that we've been asking for, uh, and uh,  
11 you know, of course where we still have some questions but I'm  
12 sure we'll get them ironed out here in the next, uh, week or so.

13 CHAIRMAN ESPARZA: OK. Uh, just to kind of  
14 bring us in I think I'm focused on, uh, focused on, uh, some of  
15 the youth initiatives, youth career initiatives that we have,  
16 maybe we have some comment, more questions about what this, what  
17 this is. Uh, two, two of those initiatives, one, the major one  
18 I'm mostly concerned with, Texas internship, the TII, the Texas  
19 Internship Initiative, also, Jobs, Jobs Y'all. Uh, so looking at  
20 track for Jobs Y'all, track 75025, uh, I believe it's page 3 of  
21 6 on the, uh, 3 of 6 on the, on the spreadsheet, and then also  
22 the, uh, Internship Initiative, obviously, we're, we continue  
23 to, to message, uh, to expand, uh, Earn & Learn initiatives,  
24 Earn & Learn opportunities, uh, especially because we have our  
25 interns in here today. Uh, we, I want to make sure that we're at

1 least funding it at some level. Uh, I don't think, and  
2 especially with, with Texas Interns Initiative, I think what  
3 we're talking about is the, uh, is not funding it potentially in  
4 the next, I guess the next biennium, in the '28 and '29 LAR. Is,  
5 my question is, is, are we, are we striking that initiative by  
6 not funding it in the '28 and '28 '29, uh, columns? Is that kind  
7 of, am I reading that right?

8 COMMISSIONER CONNETT: Chairman, I'm sorry,  
9 tell me again what page and track number.

10 CHAIRMAN ESPARZA: Uh, excuse me.

11 COMMISSIONER TREVIÑO: 3 of 6.

12 CHAIRMAN ESPARZA: Yeah, you got it?

13 COMMISSIONER TREVIÑO: Yeah, 3 of 6.

14 CHAIRMAN ESPARZA: Yeah, 3 of 6, and we're  
15 looking, looking specifically at Texas Internship Initiative  
16 which is Track 75027, 75027.

17 COMMISSIONER CONNETT: Thank you.

18 MARY YORK: [Inaudible].

19 UNIDENTIFIED: Yeah, [inaudible].

20 CHAIRMAN ESPARZA: So if you look all the  
21 way down to the right, uh, it's cleared in '28 and '29 so I  
22 wanted to—you all have anything to help out?

23 MARY YORK: Yes.

24 STEVEN SAGER: So, you're looking at the TII  
25 used to be funded with TANF dollars—

1 CHAIRMAN ESPARZA: OK.

2 STEVEN SAGER: And we switched in I believe  
3 '25, was it '25, and we started funding with WIOA. So if you  
4 look on page 4 of 6, uh-

5 CHAIRMAN ESPARZA: Keep reading.

6 STEVEN SAGER: Uh, it, yeah, it's line 40,  
7 uh, Track 79035.

8 CHAIRMAN ESPARZA: OK.

9 STEVEN SAGER: We are-

10 CHAIRMAN ESPARZA: So 1.5?

11 STEVEN SAGER: 1.5. [Inaudible].

12 CHAIRMAN ESPARZA: See, you guys are already  
13 helping me solve problems internally.

14 STEVEN SAGER: Right.

15 CHAIRMAN ESPARZA: OK. So I feel that's not  
16 an issue for, for me anyway. We can definitely strike that one.  
17 Uh, the next question I have we're, note that, uh, WIOA Track  
18 74081 is Upskill Texas and it's on the same page 4 of 6. Uh, it  
19 shows 5,000,000 budget, in, it's in addition to 2027. What-can  
20 you tell me a little bit about what that, that expansion is, uh,  
21 for the Upskill part of things? Mary, I don't know if that's in  
22 your wheelhouse.

23 MARY YORK: Thank you, Chairman. For the  
24 record, Mary York with the Workforce Development Division. Uh, I

25

1 actually don't believe that that would be an expansion for  
2 Upskill. That would be, uh, keeping it, uh, about the same.

3 CHAIRMAN ESPARZA: OK.

4 MARY YORK: Uh, the—

5 CHRIS NELSON: The 2026 budget is  
6 \$5,000,000.

7 MARY YORK: Yes. And, and in fact, uh, in  
8 the, previously we had had two tracks for Upskill Texas, a  
9 healthcare, Upskill Healthcare, and then also, uh, just a  
10 Upskill Texas for other, uh, industries beyond healthcare so the  
11 idea would be to continue to offer Upskill Texas, generally,  
12 healthcare applicants would apply under that same, uh, same  
13 initiative. It has been very popular, uh, and we see a lot of  
14 interest from employers based on the flexibility of the program.

15 CHAIRMAN ESPARZA: OK. Very good. Those, uh,  
16 let's see. Uh, commissioners, if you all have other questions.  
17 I've got a couple more. I just want to make sure I'm getting it,  
18 getting it right to post out. If you all have any questions or  
19 any kind of initiatives that you all want to talk about, we can  
20 have that discussion.

21 MARY YORK: And, Mr. Chairman, I would note,  
22 uh, as you had laid out initially with Mr. Pier's, uh,  
23 direction, there are a couple of initiatives that we were  
24 proposing consolidating to help alleviate some of administrative  
25 burden on the program.

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CHAIRMAN ESPARZA: Yeah.

MARY YORK: Some of the administrative time associated with the program. And so we were asked to prepare a couple of discussion papers regarding that consolidation.

CHAIRMAN ESPARZA: OK.

MARY YORK: And whenever you are ready and feel it appropriate, we're happy to share those, uh, and distribute those for your consideration.

CHAIRMAN ESPARZA: OK.

MARY YORK: Uh, the first one of those would be the consolidation of internship initiatives. Now, to be fair, in the current budget we, uh, are only allocating or proposing funding for one of those initiatives based on, as Chris had already mentioned, the limited funding associated with this current budget cycle.

CHAIRMAN ESPARZA: OK.

MARY YORK: Uh, but the other consolidation that we were proposing was around veterans initiatives—

CHAIRMAN ESPARZA: Yeah.

MARY YORK: Still keeping the purposes with all of the separate initiatives but combining that into one solid veterans strategy that the agency can really, you know, put our support behind.

CHAIRMAN ESPARZA: OK.

1 MARY YORK: Would you like for us to  
2 distribute those papers now or do you want us to do that-

3 CHAIRMAN ESPARZA: Do you all have any  
4 questions or anything you all want to get further info about?

5 COMMISSIONER CONNETT: So when the time is  
6 right, Chairman, I will have, uh, two items to put forward for  
7 discussion or consideration, uh, by you and Commissioner  
8 Treviño. As it relates to the consolidation, I-

9 CHAIRMAN ESPARZA: OK.

10 COMMISSIONER CONNETT: I did have a question  
11 there but if, it may follow after the briefing papers, so-

12 CHAIRMAN ESPARZA: Yeah, let's do—we can go.  
13 Do you want to do briefing papers?

14 COMMISSIONER TREVIÑO: Yeah, well, yeah,  
15 because that hopefully will answer some of the questions that we  
16 had.

17 CHAIRMAN ESPARZA: OK.

18 COMMISSIONER TREVIÑO: Uh, as far as, you  
19 know, is how is it going to be, uh, funded? Is it going to be  
20 just one bucket of funds that can move back and forth, or is it  
21 going to be individual that they're going to be doing? So  
22 hopefully, the discussion paper can answer-

23 MARY YORK: That's a lot of buildup. I hope  
24 I don't let you down.

25 CHRIS NELSON: Anticipation.

1 CHAIRMAN ESPARZA: If we don't hear it then-  
2 thank you.

3 COMMISSIONER CONNETT: OK.

4 UNIDENTIFIED: [Inaudible].

5 COMMISSIONER CONNETT: Internship, veteran,  
6 [inaudible]. I've got two. You've got two?

7 CHAIRMAN ESPARZA: Was I supposed to be  
8 passing these down?

9 UNIDENTIFIED: Well.

10 CHAIRMAN ESPARZA: I've got, oh, yeah, I've  
11 got them both.

12 UNIDENTIFIED: OK.

13 CHAIRMAN ESPARZA: I think we're good.

14 COMMISSIONER TREVIÑO: Chairman, I don't, I  
15 don't know if we can, uh, if I can recommend that we just, uh,  
16 table these two, to go over it this week and then come back next  
17 week to, uh, do the final.

18 CHAIRMAN ESPARZA: Yeah, I don't know if we  
19 have to vote on that or anything. Is that just, we're going to  
20 go ahead and table?

21 UNIDENTIFIED: Yes.

22 CHAIRMAN ESPARZA: We can still kind of get  
23 a high-level-

24 COMMISSIONER TREVIÑO: Review [inaudible].

25 CHAIRMAN ESPARZA: Yeah, we'll do that.

1 CHRIS NELSON: For the record, Chris Nelson.

2 In past state, past statewide initiative meetings, yeah, this  
3 is, this is not uncommon for this to be a multiday dance, so-

4 CHAIRMAN ESPARZA: OK.

5 CHRIS NELSON: Uh, if we need to come back-

6 CHAIRMAN ESPARZA: We make discussions and,  
7 and then carry it over into like a committee or commission  
8 hearing, or we establish another work, work group, I guess. We  
9 can do it both ways. OK.

10 UNIDENTIFIED: Yeah.

11 CHAIRMAN ESPARZA: I think, I think that  
12 gives us enough time.

13 MR. PIER: That would be our hope is that we  
14 can answer any questions and fill in any gaps over the next week  
15 so that you all can vote on this and feel comfortable.

16 CHAIRMAN ESPARZA: OK. Chris, what's, what  
17 is the timing of, of having this? Since we have it, uh,  
18 proposed, and then we vote for, you know, approval next Tuesday,  
19 and then what's, what's the next step after that?

20 CHRIS NELSON: The next step after that is  
21 once we get the LAR instructions this would just get  
22 incorporated-

23 CHAIRMAN ESPARZA: This is the [inaudible].

24 CHRIS NELSON: Into what we would submit  
25 later in August.

1 CHAIRMAN ESPARZA: OK.

2 CHRIS NELSON: Uh, from a budgeting  
3 standpoint, I don't need any finite answers until sometime in  
4 August.

5 CHAIRMAN ESPARZA: OK.

6 CHRIS NELSON: From a, you know, logistics  
7 of managing the grants, you know, getting in on the schedule,  
8 uh, you know, the sooner is always better because they've got to  
9 build out the schedule and the, the procurement's life cycle for  
10 everything that does get approved. Uh, but for my budgeting  
11 standpoint, you know—

12 CHAIRMAN ESPARZA: OK.

13 CHRIS NELSON: We've got time.

14 CHAIRMAN ESPARZA: OK.

15 COMMISSIONER CONNETT: Happy to table these  
16 and review, and take it back up next week.

17 CHAIRMAN ESPARZA: OK.

18 COMMISSIONER CONNETT: That's the plan.

19 MARY YORK: Would you like us to go over  
20 them at all?

21 CHAIRMAN ESPARZA: Yeah, would you mind,  
22 just to kind of a high level, just so we get it into the record.

23 MARY YORK: Steven, do you want to do that  
24 or do you want me?

25 CHAIRMAN ESPARZA: Thanks, Steven.

1                   STEVEN SAGER: I'm sorry. Steven Sager with  
2 Workforce Development. Uh, so to start with, uh, the veterans  
3 program, I think, is probably the larger of the two. It  
4 consolidates more programs. But the idea here would be to, you  
5 know, continue the distribution method that you all started in  
6 April, and then the remaining funds, try to put those into an  
7 application that basically allowed more entities. It would  
8 essentially keep the same framework so we would still be  
9 targeting, you know, IHEs that can do the college credit type  
10 things we would do and are the hard-to-reach veterans, which is  
11 what happened with Veterans Outreach.

12                   CHAIRMAN ESPARZA: Yeah.

13                   STEVEN SAGER: You know, and then the  
14 Military to Career, or Military to Civilian, right, in places  
15 where there are not bases. So we would still serve the same  
16 entities. We would just, you know—there's really not a  
17 difference between a \$250,000 initiative and a \$2,000,000 when  
18 you come to the administration of it, it still requires a grant.

19                   CHAIRMAN ESPARZA: OK.

20                   STEVEN SAGER: And so by combining these  
21 into a single entity, it allows us to use a single application.  
22 It just reduces administrative burden, and I think it gives us a  
23 lot of ability, much like you all also started with [inaudible]  
24 last year. We could use STEM or we could move funds. It gave us  
25 some freedom to move funds in between veteran programs.

1 CHAIRMAN ESPARZA: OK. So the, so basically,  
2 it's the reporting is money to, to a block that funds these  
3 different, these different initiatives. It's kind of a-

4 MARY YORK: Yes, so there would be a, a  
5 single consolidated application. Applicants wouldn't have to  
6 know which application was-

7 CHAIRMAN ESPARZA: [Inaudible].

8 MARY YORK: The right application for them.

9 CHAIRMAN ESPARZA: Yeah.

10 MARY YORK: Uh, there would be a set of  
11 allowable activities, and those are, uh, specified for you  
12 beginning on Row 44 of the discussion paper. So, all of the same  
13 activities that are allowable under these individual initiatives  
14 would continue to be allowable under the combined strategy. But,  
15 uh, this would ease, again, the administrative work on the  
16 applicant as well as on staff. So instead of having separate  
17 application tracks for each one of these initiatives, we would  
18 have a singular application track, uh, again, as Steven  
19 indicated in his layout. The one kind of nuance to this that  
20 would be important to consider is, uh, the distribution under  
21 Military to Civilian that was recently approved. That  
22 methodology would remain, uh, as part of-it would not be  
23 application based. It would continue to be distribution based  
24 until such time as the commission directed us otherwise. Uh, the  
25 \$500,000 that's proposed in the budget for, uh, areas without a

1 major military installation, that would become part of the  
2 application here, again, as a single application for all of  
3 these veterans initiatives.

4 COMMISSIONER TREVIÑO: So there would be a  
5 single application, but with the flex, flexibility to move the  
6 funds, right? So the, uh, I guess the initiatives will stay the  
7 same.

8 MARY YORK: Well, we would turn this into a  
9 single track and not have separate initiatives. The allowable  
10 activities would remain the same and the types of eligible  
11 applicants would remain the same, uh, but we would fund it under  
12 one track. Now, we would still have performance measures  
13 associated with, with all of these activities.

14 COMMISSIONER TREVIÑO: The funds would be  
15 available all year. There would be no deadlines for?

16 MARY YORK: It would be an application.  
17 Obviously, it depends on how quickly those funds are awarded as  
18 to whether, you know, funds end up being available all year. If  
19 there aren't any additional questions on Veterans Pathway, uh,  
20 Steven can give you a high level on internship.

21 STEVEN SAGER: Yeah, so very similar kind of  
22 methodology to, uh, the internship, part of the driver behind  
23 this was also that we had a reduced amount of money this year  
24 because of the budget to allocate to, uh, to any internship  
25 initiative and so we thought if we could, uh, combine these

1 three it would allow us—right now Texas Internship Initiative is  
2 only available to boards and ESCs and so this would allow us,  
3 you know, to take some of the things that came out of last  
4 year's work session that career exploration and rotating  
5 internships and, you know, also do those things with the  
6 internship dollars that we have.

7 CHAIRMAN ESPARZA: OK. Uh, we're currently—  
8 is, is the, the TII, these are—the, the budget that funds, uh,  
9 the programs out to the boards, is that, is it—are we, are we in  
10 a cycle? Is that—are those [inaudible].

11 MARY YORK: Those have been funded for the  
12 year.

13 CHAIRMAN ESPARZA: OK.

14 MARY YORK: And I believe, I don't believe  
15 there are any internship initiatives that are still pending at  
16 this point for this year. Uh, I think, you know, as your opening  
17 comments, uh, referenced, Chairman, we see internships as a very  
18 important part of work-based learning and the opportunities to  
19 develop the future workforce, uh, as well as in some cases how  
20 certain workers transition to a new career pathway so, uh, we  
21 very much see the value in continuing to support internships and  
22 as Steven mentioned, uh, I think the, the only challenge here  
23 is, uh, because of maybe some budgetary constraints and we  
24 wanted to ensure that the commission had some flexibility in the  
25 remaining funds, uh, that your balance that you had to work with

1 today, uh, that's why we proposed it at the level, level that we  
2 did.

3 CHAIRMAN ESPARZA: OK. Very good. I think  
4 that's, yeah, that's—thanks for the high level, uh. I think we  
5 could probably move on to, to new, new initiatives if you all  
6 want to get into that. Is there anything—there's no—we're  
7 tabling them.

8 CHRIS NELSON: Just clarify on the, the  
9 budget. We're submitting a three-year budget.

10 CHAIRMAN ESPARZA: Yeah.

11 CHRIS NELSON: '27 '28 '29. We don't know  
12 what the WIOA federal funding or the federal funding is going to  
13 look like next year so I mean, you know, like I mentioned we  
14 took a pretty sizable cut this year.

15 CHAIRMAN ESPARZA: Yeah.

16 CHRIS NELSON: You know, that could change  
17 next year so even though we're doing a three-year budget for our  
18 Legislative Appropriation Request, there will be an opportunity  
19 next some—this time next summer as we actually get closer to our  
20 true award to see do these—are there further balances available—

21 CHAIRMAN ESPARZA: OK.

22 CHRIS NELSON: You know, next summer for the  
23 2028 year that may not look like [inaudible] now.

24 CHAIRMAN ESPARZA: OK.

25

1 MARY YORK: And to add to that, there may be  
2 additional opportunities during the year if, uh, again, older  
3 initiatives are closed out and funds are returned to commission  
4 reserve.

5 CHAIRMAN ESPARZA: Yeah, and I'll, I'll  
6 telegraph one, one item that I was wanting to not, not, didn't  
7 want to discuss but in, in that, in that sense I know in some of  
8 these programs, I'll talk about going back to, to, to veterans  
9 like the Hiring Red, White & You! Uh, a lot of the, uh, a lot of  
10 what this funding goes into is, is, like booking the event space  
11 and using that if they're not able to, to have that. For some  
12 boards it's—they're doing this in different parts, you know, in  
13 different areas, you know, others more expensive than, than some  
14 across the state, uh, but that—I'll just put a pin in that for  
15 any further funding that we can put into supporting those job,  
16 the job fairs, the Red, White & You! hiring, uh, and that we'll,  
17 we'll, we'll come up with some kind of consideration on, uh, on  
18 what, what we could ask for if we have it, we can, we can get it  
19 there but that's, that's a, that's not, that's not this time  
20 and, and we can hold it for, for, for the next, for the next  
21 round of that once we sight, once we kind of see, uh, best laid  
22 plans kind of a thing so, OK. Thank you for—thanks for the, uh,  
23 the instruction and we'll hold these as per Commissioner  
24 Treviño, we'll, we'll definitely—I think we're in agreements  
25 that we'll hold these until, uh, until, until next Tuesday I

1 believe. Uh, we can go into new, any new initiatives. We can  
2 talk about that.

3 COMMISSIONER TREVIÑO: I was going to ask  
4 one question [inaudible].

5 CHAIRMAN ESPARZA: Sorry, go ahead.

6 COMMISSIONER TREVIÑO: It was on the, uh,  
7 teacher externship, uh, which is 74046. Uh, there was just a  
8 question that I know that, uh, there was two weeks and one week.

9 CHAIRMAN ESPARZA: Oh, yeah.

10 COMMISSIONER TREVIÑO: And I think the, uh,  
11 the boards recommended with the employers that it should go back  
12 to one week. I don't know if we made a decision on that, that it  
13 was more feasible for not just the teachers but the employers  
14 and staff.

15 MARY YORK: Thank you so much for that  
16 question, and it's something that was brought to our attention  
17 as well. I don't believe that the, uh, original intent was to  
18 only allow two weeks. I think it was to allow flexibility and,  
19 and, uh, related funding for additional time so I think what we  
20 would like to see going forward is allowing for those  
21 applications to come in and have a proportionate request  
22 depending upon the number of days that the, uh, that the  
23 externship would be offered. So if they have a situation where  
24 it's going to be a longer externship, naturally there are more  
25 resources involved, then that would make sense to correlate with

1 a slightly larger request. If it is a, a single week, then they  
2 might have a slightly smaller request based on the participation  
3 of the teachers during that time.

4 CHAIRMAN ESPARZA: Yep.

5 COMMISSIONER TREVIÑO: So it would be up to  
6 the-

7 MARY YORK: It would be-

8 COMMISSIONER TREVIÑO: Employer and the-

9 CHRIS NELSON: And up to language.

10 MARY YORK: Yes, yes. So we would, we would  
11 still obviously have a cap on the amount that-

12 COMMISSIONER TREVIÑO: Yeah.

13 MARY YORK: Can be awarded but, yes, so we  
14 would allow flexibility and it would be up to the applicant to  
15 determine in conjunction with the participating employers what  
16 best met the needs of their local area.

17 CHAIRMAN ESPARZA: OK. Very good. OK. Yeah,  
18 we'll move to, uh, to, to new good ideas.

19 COMMISSIONER CONNETT: Well, I've got new  
20 ideas. We'll, we'll, we'll see if they're good. You, you, you  
21 guys will tell me or not. Uh, have, have three that I'd like to  
22 put forward. I mean really in my mind it's two and a half  
23 because two are very closely, uh, related so I will share with  
24 you, uh, two discussion papers, uh, credit to Mary and her team,

25

1 uh, for assisting with, with, with these. Uh, one copy, that's  
2 the other, I'm kind of collating them on the fly here.

3 CHAIRMAN ESPARZA: Yeah.

4 COMMISSIONER CONNETT: Which, which one do  
5 you have, Chairman?

6 CHAIRMAN ESPARZA: I've got board AI  
7 projects.

8 COMMISSIONER TREVIÑO: Board AI licenses.

9 COMMISSIONER CONNETT: OK. Here. There you  
10 go. That should be both of them. OK, so this, this, this agency,  
11 uh, seems to be a leader among state government in the adoption  
12 of artificial intelligence, uh. In our strategic plan that we  
13 recently took up and considered and, and voted on, we discussed  
14 AI from the standpoint of providing more empathetic customer  
15 service, right? Getting staff less focused on paperwork and more  
16 focused on the human being, the individual and their unique  
17 challenges and opportunities in front of them. In addition to  
18 empathetic customer service I think AI presents a, a major  
19 opportunity for more efficient customer service. Uh, within the  
20 agency I understand there are hundreds of use cases for  
21 artificial intelligence, uh, that have currently been adopted  
22 and, and many more proposed, and at least one of those has been  
23 quantified in, in CRD. They saw an average case time of—they saw  
24 their average case completion time decrease by 21.3 percent,  
25 dropping from 430.4 days to 338.8 days, uh, a 91.6-day average

1 reduction per case, uh, and they gained 733 hours of  
2 productivity by adopting, uh, an AI tool. So the, the concept  
3 with the, the two proposals in front of you is, one, to provide  
4 an AI innovation grant opportunity, uh, to the 28 boards so that  
5 they at the board level can replicate some of this empathetic  
6 and, and efficient customer service. Uh, that as proposed would  
7 be a total pool of \$750,000. Boards could apply on a competitive  
8 basis, uh, and potentially be awarded, uh, AI funds depending on  
9 the use cases they put forward. The second proposal, uh, much  
10 smaller, would provide, uh, two Gemini for Government licenses  
11 to each of the 28 boards. Again, same, same general purpose but  
12 slightly different, uh, slightly different rollout if you will.

13 CHAIRMAN ESPARZA: OK.

14 COMMISSIONER CONNETT: So that's, that's the  
15 proposal. I do not—I understand you are seeing this and hearing  
16 this for the first time so, you know, fully anticipate that it  
17 will be tabled, uh, until next week but happy to entertain any  
18 questions or, uh, or, or defer them to the more capable and  
19 knowledgeable parties in the room.

20 COMMISSIONER TREVIÑO: Commissioner, uh,  
21 this is going to be in alignment with, uh, our new AI guidelines  
22 to set it up or how is that?

23 COMMISSIONER CONNETT: That's certainly the  
24 intent, yes.

25 COMMISSIONER TREVIÑO: OK.

1 CHAIRMAN ESPARZA: OK. We will, uh—you want  
2 to just add them to the, to the table?

3 COMMISSIONER CONNETT: If we could, yes,  
4 please.

5 CHAIRMAN ESPARZA: OK, yeah. It's promising.  
6 Thank you.

7 COMMISSIONER CONNETT: Thank you.

8 CHAIRMAN ESPARZA: Anything else?

9 COMMISSIONER CONNETT: Yeah, just one  
10 additional for discussion. This is much easier, just one piece  
11 of paper this time so, uh.

12 CHAIRMAN ESPARZA: [Inaudible] I might mess  
13 it up.

14 COMMISSIONER CONNETT: This, this, this,  
15 this proposal is in space of, uh, career and technical  
16 education, CTE, uh, particularly the, the concept here at  
17 helping to build pipeline, uh, to get more students active and  
18 engaged in career and technical education, uh, activities,  
19 whether formal, extracurricular or some, some flavor of both.  
20 Uh, the concept here is to support rural areas of the state to  
21 get the independent school districts and more importantly their  
22 students participating in the recognized career and technical  
23 student organizations, CTSOs. Uh, so this, there's two—staff  
24 have provided two options as to how, uh, this particular program  
25 could work. What, what is contemplated here is \$250,000 for

1 rural, rural areas of the state. Uh, under, under one option,  
2 uh, boards, uh, would, would, uh, be apportioned a, a pool of  
3 funds and the rural districts would apply to those boards to  
4 support their students' participation in CTSO programs. Under  
5 the other option, uh, I understand that CTSOs would, would, uh,  
6 get the pool of money more directly themselves, and then those  
7 CTSOs would be responsible for offering scholarships to rural  
8 students in need. Uh, again, the concept here is just building  
9 that CTE pipeline.

10 CHAIRMAN ESPARZA: So, uh, I'd like an  
11 example of this supports schools to, to, to be able to go to  
12 like SkillsUSA-type events.

13 COMMISSIONER CONNETT: That's one, yes,  
14 SkillsUSA is one of the—

15 CHAIRMAN ESPARZA: It's one of them.

16 COMMISSIONER CONNETT: Right.

17 CHAIRMAN ESPARZA: We're not [inaudible]  
18 we're not limming it, limiting it to, to any of them—

19 COMMISSIONER CONNETT: Correct.

20 CHAIRMAN ESPARZA: But it's not creating a,  
21 it's not creating competition or anything?

22 COMMISSIONER CONNETT: No. That would, no,  
23 that would not be the, the intent. The, the 13 CTSOs are  
24 recognized I understand by TEA and so—

25 CHAIRMAN ESPARZA: Oh, OK. Gotcha.

1 COMMISSIONER CONNETT: So that would be, uh,  
2 the pool or the parameters.

3 CHAIRMAN ESPARZA: Right, OK.

4 COMMISSIONER CONNETT: And then ideally  
5 these, these funds would go to increased and new participation  
6 for school districts and students rather than supplanting, uh,  
7 dollars that are, that are currently being used on CTSO  
8 participation.

9 CHAIRMAN ESPARZA: OK. Very good. Do you  
10 have any questions on this one?

11 COMMISSIONER TREVIÑO: No. Thank you.

12 COMMISSIONER CONNETT: Thanks for your time.

13 CHAIRMAN ESPARZA: Yeah. Thank you,  
14 commissioner. Commissioner Treviño, do you have any, uh, new-

15 COMMISSIONER TREVIÑO: Yes, I have three if  
16 I can go over them.

17 CHAIRMAN ESPARZA: OK.

18 COMMISSIONER TREVIÑO: [Inaudible] get one.

19 COMMISSIONER CONNETT: Thank you.

20 COMMISSIONER TREVIÑO: [Inaudible] they're  
21 all there.

22 COMMISSIONER CONNETT: Oh, nice. Check it  
23 out.

24 CHAIRMAN ESPARZA: Which one?

25 COMMISSIONER CONNETT: Oh, nice.

1 COMMISSIONER TREVIÑO: OK, today I'm  
2 presenting three concept papers that aim to enhance, uh, the  
3 impact and efficiency of our statewide initiatives. These  
4 proposals are designed to align our efforts with the governor's  
5 priorities and our strategic plan ensuring every dollar we  
6 invest is maximizing its return for the Texas workforce. My goal  
7 is to modernize our approach and eliminate redundancy and  
8 strategically position TWC to meet the evolving demand of our  
9 state economies. So in concept one, uh, it's dealing with  
10 creating the Texas Healthcare Workforce Initiative, and this is  
11 going to address the critical need for more comprehensive  
12 strategies in our healthcare workforce development efforts. The  
13 problem that we saw as our current funding structure for  
14 healthcare initiatives is fragmented. This leads to duplicity  
15 and administrative processes and it, which dilutes the impact of  
16 our funds and hinders our ability to build seamless statewide  
17 talent pipelines for high-wage healthcare careers. Now what I'm  
18 proposing is that I recommend that we consolidate four existing  
19 healthcare initiatives into a single unified application-based  
20 program named the Texas Healthcare Workforce Initiative, and  
21 this initial funding would be about 7.5 million which is  
22 combined the total of the previously approved budgets for these  
23 programs, and those, uh, would consolidate the Healthcare  
24 Registered Apprenticeship, the Healthcare Internship, Upskill  
25 Texas Healthcare, and Building Capacity in Healthcare Fields,

1 LVN, RN training. The strategic alignment in this, uh,  
2 consolidation directly supports, uh, Governor Abbott's  
3 Healthcare Workforce Task Force recommendation and it aligns  
4 with our TWC strategic plan by eliminating silos and pooling  
5 financial capital to address regional healthcare shortages more  
6 effectively. If this, uh, consideration is approved, uh, our  
7 office proposes collaborating with Mary and also recommending to  
8 utilize Kristie's team to assist healthcare systems in  
9 understanding these, uh, consolidated grant opportunities and  
10 actively selling the grants to them ensuring maximum  
11 participation and fund utilization. And I would direct staff to  
12 return to the commission with recommendations on how to further  
13 strengthen and expand the Texas Healthcare Workforce Initiative.  
14 That was the one. Concept two would be the strategic alignment  
15 of statewide initiative funding. And this proposes fundamental  
16 shift on how we manage our entire statewide initiative portfolio  
17 and become more agile and performance driven. The problem we saw  
18 when we were, uh, continuing to fund legacy programs without  
19 rigorously assessing their current market rel, relevance or  
20 efficiency. Some initiatives suffer from underutilized funds,  
21 uh, procurement lags, and misalignment with high-demand  
22 industries. This status quo model limits our ability to pivot to  
23 urgent needs like healthcare, advanced manufacturing, and IT.  
24 The proposal as I recommend a two-prong approach to align our  
25 funding. First, to [inaudible] discontinue nonperforming

1 initiatives. We should cease funding the programs that  
2 consistently show performance red flags such as low vendor  
3 response, failure to meet expenditure targets or discontin, or  
4 disconnected from high-wage, high-demand occupations. Two would  
5 be implementing, uh, alternating budget cadence. For value  
6 programs that don't require intensive annual scaling, we should  
7 move to a every-other-year funding cycle, and this will create a  
8 strategic reserve giving us the flexibility to invest in new and  
9 emerging priorities. Now for staff directives, I have two that I  
10 would direct staff to evaluate the impact of federal budget cuts  
11 and recommend corresponding appropriate funding adjustments  
12 across all initiatives. The second one furthermore would be to  
13 direct staff to review our current initiatives and identify  
14 which programs should be included as exceptional items for  
15 consideration during the next legislative session. Now for the  
16 third and final concept paper that I have, it deals with  
17 sustaining the Foster Youth Network Initiative, and it's  
18 ensuring the long-term success of this critical, uh, program for  
19 one of our state's most vulnerable populations. In 2023 the  
20 commission approved 4,000,000 for a two-year foster youth  
21 network which was a centralized support system for current and  
22 former foster youth. This aligns directly with Governor Abbott's  
23 longstanding priorities to support these working Texans. He was  
24 quoted as, uh, saying that we have a solemn obligation to  
25 protect the most vulnerable among us. Reforming our child, uh,

1 welfare system and supporting our foster youth is a moral, is  
2 moral imperative. We must ensure that these young Texans have  
3 resources, stable support, and workforce opportunities that they  
4 need to transition successfully and to independent and  
5 productive lives. Now the need that I see with the Foster Youth  
6 Network is showing an exceptional promise in this year. In its  
7 first year it showed exceptional promise. Now to build on this  
8 positive momentum and ensure the program has its ability to  
9 achieve its full impact, we must secure funding for the next  
10 biennium. Now the proposal I recommend is to formally  
11 incorporate the following allocations for the Foster Youth  
12 Network into our Legislative Appropriation Request for our LAR  
13 for fiscal year 2028 is to request 2.5 million to sustain the  
14 foundational operation and for fiscal year 2029 request  
15 3,000,000 to accommodate the program growth and expand outreach.  
16 Now to direct staff I ask that they identify the funding sources  
17 for this request including evaluating whether funds need to be  
18 reallocated from other areas to support this critical  
19 initiative. Now in conclusion, these are the three proposals  
20 that represent a strategic effort to make our workforce system  
21 more responsive, innovative, and efficient. I am confident that  
22 by adopting these changes we can better serve the people of  
23 Texas and strengthen our economy for years to come. And of  
24 course, I look forward to your feedback and discussion.

25

1 CHAIRMAN ESPARZA: Thank you, commissioner.  
2 Uh, the one—so on concept one, there—is there, is there a  
3 request? I see 7.5 million but that's not, that's not being  
4 requested of the, of the, of the Statewide Initiative Fund, is  
5 it?

6 COMMISSIONER TREVIÑO: I think those were  
7 the funds that were already allocated.

8 CHAIRMAN ESPARZA: Yeah, they're already  
9 being used.

10 COMMISSIONER TREVIÑO: For those four, uh,  
11 uh, line items.

12 CHAIRMAN ESPARZA: OK.

13 COMMISSIONER TREVIÑO: That we had.

14 MARY YORK: I think some of those may have  
15 been the amounts allocated in the current year.

16 CHAIRMAN ESPARZA: OK.

17 MARY YORK: Or in a prior year so, uh, it,  
18 it, I don't have the paper in front of me.

19 CHAIRMAN ESPARZA: Yeah.

20 MARY YORK: But I was taking notes, uh. For  
21 instance, uh, I believe Upskill Healthcare and in terms of the  
22 document that's in front of you, uh, I think, uh, that is zeroed  
23 out in '27 through '29 with the idea that we were again trying  
24 to consolidate initiatives.

25 CHAIRMAN ESPARZA: Yeah.

1 MARY YORK: And only, you know, use Upskill,  
2 uh, so we may just need to understand a little bit more about,  
3 uh, what you were hoping to move around in order to fund that.

4 CHAIRMAN ESPARZA: Yeah.

5 MARY YORK: Happy, happy to look at that and  
6 see what we could do.

7 CHAIRMAN ESPARZA: Perfect, OK. And two was  
8 kind of organizing, uh.

9 COMMISSIONER TREVIÑO: Yeah, two-

10 CHAIRMAN ESPARZA: Basically kind of, kind  
11 of, a screen the initiatives that we have for whether or not  
12 we're [inaudible].

13 COMMISSIONER TREVIÑO: Yes, and looking at,  
14 and looking at all the, uh, initiatives that we have, you know.  
15 Some of them are, uh, you know, more than 10 years old.

16 CHAIRMAN ESPARZA: Yeah.

17 COMMISSIONER TREVIÑO: We could move to  
18 exceptional items, uh, if they're showing, you know, that  
19 promise that they need to continue and some of them probably  
20 need to fall out where we could recoup and-

21 CHAIRMAN ESPARZA: Yeah.

22 COMMISSIONER TREVIÑO: Move that money back  
23 into the reserves.

24 CHAIRMAN ESPARZA: OK.

25

1 COMMISSIONER TREVIÑO: Where we can be able  
2 to use that funding, uh, for our new initiatives that are more  
3 in line with what the workforce need is of the day.

4 CHAIRMAN ESPARZA: Yeah, OK. The—so in  
5 concept three, this is kind of—just so I understand, it's kind  
6 of what, what we were doing with the veteran network as now  
7 it's, it's being moved towards like GR. Is that, is that?

8 CHRIS NELSON: Correct. We, we had an  
9 exceptional item last legislative session for the veterans  
10 network.

11 CHAIRMAN ESPARZA: Yeah.

12 CHRIS NELSON: And that was approved.

13 CHAIRMAN ESPARZA: Good pilot getting  
14 approved.

15 CHRIS NELSON: Yeah, right.

16 CHAIRMAN ESPARZA: And now we don't have  
17 [inaudible].

18 CHRIS NELSON: And part of it was we saw  
19 future reductions in available funding and it was getting harder  
20 to support.

21 CHAIRMAN ESPARZA: Gotcha. OK.

22 CHRIS NELSON: And so we made a, an  
23 exceptional item request to the legislature that was approved  
24 for the veterans network.

25 CHAIRMAN ESPARZA: OK.

1 MARY YORK: So I, I, I would just ask a  
2 point of clarification, Commissioner Treviño. Are you proposing  
3 that we would include this as an exceptional item or were you  
4 wanting us to identify additional cuts in the budget that was  
5 presented to you, the statewide initiatives budget, and in order  
6 to fund at the levels that you're proposing in the paper? I'm  
7 not sure we understand.

8 COMMISSIONER TREVIÑO: Are you talking about  
9 concept number two?

10 CHRIS NELSON: Uh, three.

11 MARY YORK: Three.

12 COMMISSIONER TREVIÑO: Yeah, no. I would  
13 like actually that like, uh, Chairman had said, eventually if it  
14 could move where—

15 CHAIRMAN ESPARZA: It's funded and then  
16 you're recommending it to be—

17 COMMISSIONER TREVIÑO: Correct.

18 CHAIRMAN ESPARZA: Added to the LAR.

19 COMMISSIONER TREVIÑO: Yes.

20 CHAIRMAN ESPARZA: OK. So does—

21 COMMISSIONER TREVIÑO: Does that make sense?

22 MARY YORK: So what we would continue—so we,  
23 we have previously funded it at \$4,000,000 to get it up and  
24 running.

25 COMMISSIONER TREVIÑO: Correct.

1 MARY YORK: Uh, and then in the proposed  
2 budget we had, uh, I believe, you know, one and a half, one and  
3 a half million in '28 and '29, uh. Would you propose keeping  
4 that in there at that level and then seeking additional funding  
5 through an exceptional item? I just want to make sure that we  
6 deliver on, on what you're asking us to do.

7 COMMISSIONER TREVIÑO: If we can't get it  
8 into the, uh, exceptional item or to the—I would like to see  
9 what we can do or where we can pull other funds from to make  
10 sure that we have the funding. It may not be exactly that but as  
11 close to that as we could, uh, to keep this program, uh, running  
12 because we have, uh, that program that's really taking off and  
13 we want to make sure that they, they keep that, uh, trend  
14 shooting up.

15 MARY YORK: Thank you for the clarification.

16 CHAIRMAN ESPARZA: OK. OK. Uh, I have no new  
17 initiatives to put out I think so if, if, if, if all are  
18 approved, we're basically talking about the, what, 75, 75,  
19 100,000, or, uh, 750,000?

20 CHRIS NELSON: I think it's about 800,000  
21 for AI with—

22 CHAIRMAN ESPARZA: OK, gotcha. So that's—

23 COMMISSIONER CONNETT: With the two combined  
24 and then 250,000 for the CTE pipeline.

25

1 CHAIRMAN ESPARZA: OK. That's what  
2 [inaudible].

3 CHRIS NELSON: Just to clarify so in the, in  
4 the budget document it's laid out as the initiatives and the  
5 recommended amounts for '27, '28, '29 but there is also, uh,  
6 highlighted in yellow like on page 4 of 6 for WIOA, there's  
7 2,045,000 reserve balance so to Commissioner Treviño's point of  
8 if your recommendation is to—I hate doing math in public but I  
9 think I have a million dollars for Commissioner Connett's two  
10 initiatives.

11 COMMISSIONER CONNETT: That sounds about  
12 right.

13 CHAIRMAN ESPARZA: Yeah.

14 CHRIS NELSON: If that was approved, you'd  
15 have a million left.

16 CHAIRMAN ESPARZA: To help support the, the—

17 CHRIS NELSON: Yes, to your point of looking  
18 for additional funding, commissioner, for foster youth, there  
19 looks like there's a million that's available at least.

20 CHAIRMAN ESPARZA: That's a start.

21 CHRIS NELSON: At a minimum if, you know.

22 CHAIRMAN ESPARZA: OK.

23 CHRIS NELSON: [Inaudible] votes.  
24  
25

1 COMMISSIONER TREVIÑO: To clarify I guess  
2 what Mary was asking, I would like it to be funded through LAR  
3 '28, '29 but if-

4 CHRIS NELSON: Right.

5 COMMISSIONER TREVIÑO: You know, it doesn't,  
6 where we could find-

7 CHAIRMAN ESPARZA: So is that usually-

8 COMMISSIONER TREVIÑO: [Inaudible].

9 CHAIRMAN ESPARZA: Is that usually discussed  
10 in these-

11 CHRIS NELSON: We usually come back for a  
12 future-

13 CHAIRMAN ESPARZA: Initiatives or the LAR?

14 CHRIS NELSON: We usually have another  
15 meeting.

16 CHAIRMAN ESPARZA: Yeah.

17 CHRIS NELSON: And like talk about the rest  
18 of the operating budget.

19 CHAIRMAN ESPARZA: Do our LAR planning type  
20 of thing.

21 CHRIS NELSON: Is generally when we bring  
22 other exceptional items that--because there will be capital, you  
23 know, IT projects, and there'll be other program-related  
24 exceptional items that we'll bring but that would probably be  
25 the best time to bring that forward.

1 CHAIRMAN ESPARZA: OK.

2 CHRIS NELSON: And if you can't find it in  
3 the LAR, in the statewide initiative budget.

4 CHAIRMAN ESPARZA: Yeah.

5 CHRIS NELSON: I think the commissioner is  
6 asking for—

7 COMMISSIONER TREVIÑO: I think that's why I  
8 like on the concept two where the staff looks at current  
9 initiatives that are outdated or that aren't, uh, being funded  
10 or that they didn't meet the requirements, that those fundings  
11 could be I guess the term, you know, rollback or swept back into  
12 the general fund because they're not going to be used and  
13 they're not going to—and we could actually use that, those funds  
14 to do some of the new initiatives that we're proposing that  
15 would affect the workforce today, and I think that concept two  
16 is, uh, you know, in reading the, uh, TWC strategic plan, uh,  
17 and some of the quotes that Mr. Pier wrote on there would be in  
18 line with, you know, trying to get out of the silos and getting  
19 out of a status quo and being more productive and flexible with  
20 our funding to serve, uh, the Texans get the jobs that they need  
21 right now.

22 MARY YORK: And, commissioner, again, I just  
23 want to make sure that we get the clarification that we need in  
24 order to move forward so on item two, uh, concept two, uh, so  
25 there are some initiatives that we have proposed not funding

1 already. Uh, this would direct staff to go back and recommend  
2 additional, potentially additional initiatives to be eliminated  
3 from the statewide budget or further reduced in the statewide  
4 budget based upon the criteria that you have set out in the  
5 concept.

6 COMMISSIONER TREVIÑO: Yes. You could  
7 eliminate or reduce the funding. However you see fit that's,  
8 that's, uh, what's needed because some of them may not use all  
9 the funding but they're using some. Those can be reduced or just  
10 eliminate the ones that aren't even being, uh, requested anymore  
11 or that aren't producing that staff sees that aren't in line  
12 with what we need right now.

13 MARY YORK: Steven, do you have what we  
14 need? You think so? OK.

15 MR. PIER: I just want to ask a  
16 clarification. Would we—this is in preparation for Tuesday for a  
17 vote. Uh, would you envision—let's say we find money across five  
18 different initiatives that we could eliminate or reduce, would  
19 we put each one of those in front of you all separately as a  
20 vote?

21 CHAIRMAN ESPARZA: Uh, uh.

22 MR. PIER: OK.

23 CHAIRMAN ESPARZA: Yeah, I think that—

24 MR. PIER: To decide and then you take the  
25 total, total balance and then you would vote to allocate that

1 total balance of savings, right? I, I just want to make sure  
2 that we put that-

3 CHAIRMAN ESPARZA: Yeah, it sounds like  
4 that-

5 MR. PIER: In front of you properly because,  
6 yeah, anyway.

7 CHAIRMAN ESPARZA: Yeah, because that would  
8 still give us basically the, the authority to agree that there  
9 is like a cut or there's an initiative that we could, we could  
10 do without. I guess it would just be on us, uh, [inaudible]. Is  
11 that enough time for, for, for-

12 MARY YORK: Well, sure.

13 CHAIRMAN ESPARZA: Well, I mean, yeah. I ask  
14 that but again it's, it's-

15 MR. PIER: It's a whole week.

16 CHAIRMAN ESPARZA: Yeah, sure.

17 MARY YORK: We've looked a look of these so  
18 we potentially have other recommendations. Uh, I, I would take  
19 this opportunity though, uh, you know, from the commission's  
20 perspective and I think Commissioner Treviño has a, has a great  
21 point regarding the strategic plan but as we are looking at  
22 these initiatives, uh, and, commissioner, you may have put this  
23 in, in your concept already, uh, in terms of priorities, when we  
24 are having to make maybe some tough decisions about the things  
25 that the commission wants to fund, uh, are there certain things

1 where you would see us placing a greater emphasis, and I will  
2 use an example. Uh, are you more interested in initiatives that  
3 result in, uh, occupational skills training for instance? Are  
4 you more, you know, also interested in things like work-based  
5 learning opportunities like we talked about with internships?  
6 Uh, and so that way we can begin to not only look at the data  
7 supporting each one of these because there, you know, I think in  
8 the briefing materials you probably found we do have performance  
9 measures for, for just about everything but they may not  
10 necessarily always equal each other, right? You know different  
11 types of initiatives might have different types of outcomes so  
12 if there are specific outcomes that are of interest to the  
13 commission, uh, we certainly want to make sure that that, those  
14 are the types of recommendations that we're bringing forward to  
15 you—

16 CHAIRMAN ESPARZA: Yeah.

17 MARY YORK: And that, you know, we're not  
18 missing the mark in terms of what, where you see the most value.

19 CHAIRMAN ESPARZA: Sure. Yeah, I think as  
20 long as, as long as we're, we're able to have a discussion or  
21 make a vote on, on what's, on what the consolidation or what the  
22 change or what the elimination is prior to doing that, I think  
23 that, I think that's, I think that's fine. I believe that will  
24 work.

25 MARY YORK: OK.

1                   COMMISSIONER TREVIÑO: Right, because I mean  
2 I know that we look at some of the line items and we see how  
3 much money is going in there but we know that some of those  
4 aren't even being funded or they're already so outdated that,  
5 uh, they're not being used and that's just funds that we could  
6 be using for something else. Uh, another thing is like I had  
7 said before that, uh, if some of those that have been around for  
8 10 plus years that are working, we should move to exceptional  
9 items and then that would free up more funds for, uh,  
10 initiatives that are coming through.

11                   MARY YORK: Might I propose, uh, for your  
12 consideration as we, as we think about doing that for some of  
13 these, uh, you know, like legacy initiatives that have been  
14 around for some period of time—

15                   CHAIRMAN ESPARZA: Yeah.

16                   MARY YORK: Especially if we're going to  
17 seek an exceptional item that, uh, we might not sort of rip the  
18 band-aid off so to speak right away until we have a better sense  
19 of, uh, what we are putting in our Legislative Appropriations  
20 Request—

21                   CHAIRMAN ESPARZA: Yeah.

22                   MARY YORK: And so we start with kind of a,  
23 a phased-out approach perhaps as an, as an option, and, of  
24 course, we'll be bringing this to you for you—

25                   CHAIRMAN ESPARZA: Sure.

1 MARY YORK: To consider but, uh, that may be  
2 something to ponder, uh, as a kind of a way to ensure that, uh,  
3 we're—

4 CHAIRMAN ESPARZA: Yeah.

5 MARY YORK: Moving ahead thoughtfully.

6 CHAIRMAN ESPARZA: Yeah, and I think that's—  
7 yeah, we also have to consider that as we, we also want to make  
8 sure that we're considering how many of these items in LAR, you  
9 know, exceptional items we, we have, uh, and that we're, we're  
10 not crowding, we're not crowding that list as well so there's,  
11 there's still a lot of weight that we have to put into it but I  
12 don't think that's a conversation for the now. Uh, I will, if  
13 you guys are OK with it, I think we're going to take all of the,  
14 uh, the ideas, great ideas, good ideas, [inaudible], they're  
15 good ideas. Uh, I think we're going to take them and table them  
16 and we have questions and answers for, for any specific, you  
17 guys are open to it, uh, and then we'll, we'll try to vote them  
18 on going through Tuesday, this coming Tuesday.

19 COMMISSIONER TREVIÑO: This coming Tuesday,  
20 right.

21 CHAIRMAN ESPARZA: Your week, Steve.

22 MR. PIER: We, we all have [inaudible] in  
23 our office for fun.

24 CHAIRMAN ESPARZA: Yeah, that's great. OK.

25 MR. PIER: We'll be all right.

1 CHAIRMAN ESPARZA: [Inaudible].

2 COMMISSIONER TREVIÑO: And then we'll be  
3 open for any questions from staff if, uh, you want to-

4 CHAIRMAN ESPARZA: Yeah.

5 COMMISSIONER TREVIÑO: Ask us.

6 COMMISSIONER CONNETT: The right place.

7 COMMISSIONER TREVIÑO: Yeah, whatever the,  
8 uh, the question is, yeah, just reach out and we'll be happy to  
9 kind of give us or give a more in-depth explanation of the line  
10 of thinking or maybe we'll like what you suggest as well too and  
11 we can kind of work that out.

12 CHAIRMAN ESPARZA: OK.

13 COMMISSIONER CONNETT: And, commissioner,  
14 to, to, to your point and Mary's point on concept number two,  
15 perhaps we build on the intent and purposes there partially this  
16 cycle but maybe we lay a marker for the coming year whether it  
17 is a more zero-based or quasi-zero-based approach perhaps now  
18 then we have a 52 weeks to, to, to plan to accomplish some of  
19 those same, uh, goals, commissioner.

20 MR. PIER: Yeah, and we can enlist some,  
21 enlist some support, uh, during session for any, uh, exceptional  
22 items from, from the recipients and the participants so that  
23 could be helpful as well.

24 CHAIRMAN ESPARZA: OK. Very good. Anything  
25 else? Commissioners, you got anything?

1 COMMISSIONER CONNETT: Nothing here. Thank  
2 you.

3 CHAIRMAN ESPARZA: Any, anybody from the  
4 walls there that, that are listening in, if you all have  
5 anything you want to present, we've got two microphones right  
6 there. I guess not. Good. OK. Well, thank you guys. Thanks for  
7 your patience, your staff's support to bring these to the table,  
8 uh, and to, to, our work, Steve, your work to consolidate this  
9 and make, make, make the most of what we have. Uh, we, I guess,  
10 do we have to vote? You want to make a motion to adjourn if  
11 we're ready? Do you want to make a motion to adjourn or do you  
12 have anything, sorry?

13 COMMISSIONER TREVIÑO: No, except I think  
14 that, uh, we're good but, uh, appreciate everybody's work. I  
15 know we did a lot of questions there at the end and got called  
16 out by Randy for making staff work on the weekend. Sorry about  
17 that but appreciate it so, uh-

18 CHAIRMAN ESPARZA: Way to go, Randy.

19 COMMISSIONER TREVIÑO: I move to adjourn.

20 COMMISSIONER CONNETT: Yeah, uh, I will  
21 second that just momentarily but first I want to thank Steve and  
22 Chris and Mary and, and their teams. There has just been a trem,  
23 tremendously increased focus on actual outcomes for programs,  
24 and I'm really just thrilled to see that direction and that

25

1 focus here so, uh, I guess with that comment I'll second  
2 Commissioner Treviño's motion to adjourn.

3 CHAIRMAN ESPARZA: OK. I'll also vote to  
4 adjourn and second, second all the thoughts and thanks but like  
5 I said, this is pretty much it, kind of a village thing if  
6 anybody's got their ideas, make sure that they, uh, voice them  
7 when, when, when available and they all come through and we get  
8 them voted on and, and get it moved so it's a good, it's a good  
9 process and I appreciate you all for supporting it so, OK.  
10 That's it. We're adjourned. Thank you all so much.

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