

MEETING OF THE TEXAS WORKFORCE COMMISSION

DATE

FEBRUARY 2, 2021

1 TUESDAY, FEBRUARY 2, 2021 2 CHAIRMAN DANIEL: All right, looks like 3 we've got a last docket today. Are you guys ready to tackle 4 this? 5 COMMISSIONER DEMERSON: Let's rock and roll. 6 Let's do it. 7 CHAIRMAN DANIEL: All right. Well, good 8 morning, all. This meeting is called to order. Mr. Trobman. 9 MR. TROBMAN: Good morning, Commissioners. We have no registrants for public comment this morning. 10 11 CHAIRMAN DANIEL: Thank you very much, sir. 12 Good morning, Ms. Miller. 13 MS. MILLER: Good morning, sir. 14 CHAIRMAN DANIEL: Thank you. This brings us 15 to the end of Agenda Items 3 through 7. Let's pause for a few 16 moments to reset for the rest of the meeting. 17 COMMISSIONER DEMERSON: All right, thank 18 you, team. 19 [pause] 20 CHAIRMAN DANIEL: Let's go ahead and tackle 21 Agenda Item 8. This is the discussion, consideration, and 22 possible action regarding the acceptance for pledges for board 23 contract year 2020 and 2021 childcare matching funds. 24 MR. WEAVER: Good morning, Chairman Daniel, 25 commissioners, Mr. Serna. For the record, Travis Weaver,

Workforce Development Division. Today, workforce development, along with childcare and early learning, are presenting for your approval BCY 2020 and BCY 2021 childcare local match. I will present BCY 2020 first, request a vote, then proceed with BCY 20201 childcare local match. First, BCY 2020 childcare local match. Annually, staff presents childcare local match amendments from boards requesting to increase their BCY 2020 local childcare match agreements previously accepted by the commission as a result of contributors being unable to certify expenses for their original map, or to capture certifications from approved partners who exceeded their original pledge. Today's summary includes 25 match agreements, amendments from 10 boards, Borderplex, Concho Valley, Dallas county, deep East Texas, Gulf Coast, heart of Texas, lower Rio, north central, northeast, and west central. One item of note -- as you may recall, on August 11, 2020, the commission voted to provide BCY 2020 childcare local match forgiveness for the following boards: Panhandle, north central, Dallas county, and Texhoma, for a total amount of \$891,710. As a result of today's pending action, match forgiveness will no longer be needed for these boards. Today, staff requests commission acceptance of childcare pledges or donations, transfers, and certifications of expense for BCY 2020 in the amount of \$2,524,888. With today's action, the boards and the state remain secure. Commissioners, this concludes my presentation of BCY 2020. I'm happy to answer any questions.

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1 CHAIRMAN DANIEL: Ouestions or comments? 2 COMMISSIONER ALVAREZ: None here, Chairman. 3 COMMISSIONER DEMERSON: None here. This is 4 good work on getting these matches [inaudible] boards. 5 CHAIRMAN DANIEL: Do we have a motion? 6 COMMISSIONER ALVAREZ: I move that we accept 7 childcare match in the amount of \$2,524,888 for board contract 8 year 2020. I move that we accept childcare match in the amount 9 of \$5,760,100 for board contract year 2021. 10 COMMISSIONER DEMERSON: Second. 11 MR. WEAVER: Okay. 12 CHAIRMAN DANIEL: It's been moved and 13 seconded. 14 MR. WEAVER: Thank you. 15 CHAIRMAN DANIEL: All right, thank you. This 16 is Agenda Item 9, discussion, consideration, and possible action 17 regarding vocational rehabilitation vehicle modification 18 services. 19 MR. VADEN: Good morning, commissioners. For 20 the record, Jason Vaden, Vocational Rehabilitation Division. 21 Vehicle modification services provide a transportation option 22 for VR customers whose disabilities prevent them from operating 23 a standard vehicle. The goal of these services is to promote 24 greater independence and access to communities, educational 25 institutions, and other supports necessary to find employment,

sustain work and living arrangements, and enable career advancement. Given the importance of these services, and based on the feedback from customers and stakeholders, staff [inaudible] review of the vehicle modification process. Based on that review, staff identified several process and procedural modifications that will reduce complexities while also reducing the time needed to complete a modified vehicle. However, staff also identified a needed policy modification that would not alter eligibility requirements for VR services, but would impact a customer's ability to participate in vehicle modification services. Currently, before approving services, staff must determine whether other means of accessible transportation, including public transportation, are available to the customer, and that consideration be given to whether a customer should physically relocate to an area where public transportation is available. Given that the current criteria do not [inaudible] consideration to customer's relocation and could result in a less desirable mode of transportation that could hinder achieving employment goals [inaudible] direction on replacing the current criteria with those set forth in your material, including making the determination to approve vehicle modification services based on the benefit a customer would receive from a modified vehicle in order to achieve their employment goals, and ensuring that the customer has the resources needed to pay for associated cost of a vehicle once

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1 the vehicle modification process has completed. Commissioners, 2 this concludes my remarks, and I'll be happy to answer 3 questions, if you have any. 4 CHAIRMAN DANIEL: Comments or questions? 5 COMMISSIONER ALVAREZ: No questions, Chairman, but I did appreciate Jason's report, and I love the 6 7 flag in his background. 8 COMMISSIONER DEMERSON: Chairman, basically 9 the RCT, I'm glad we had input from the RCT on this, so, 10 appreciate that [inaudible]. 11 CHAIRMAN DANIEL: All right, do we have a 12 motion on this issue? 13 COMMISSIONER ALVAREZ: I move that we 14 replace the current criteria for obtaining vehicular 15 modification services with determining whether the customer 16 might benefit from the modified vehicle to gain greater 17 independence and access, as discussed, and ensuring the customer 18 has sufficient resources or will have sufficient resources 19 through achievement of an employment goal to cover future costs 20 associated with the vehicle, as discussed. 21 COMMISSIONER DEMERSON: I second. 22 CHAIRMAN DANIEL: It's been moved and 23 seconded, we're unanimous. This is item 10, discussion, 24 consideration, and possible action regarding adoption of 25 emergency rules 40 TAC chapter 815, unemployment insurance

regarding certain unemployment provisions in public law 116-260, the Consolidated Appropriations Act, which included the Continued Assistance for Unemployed Workers Act.

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MR. STALINSKY: Good morning, Chairman Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the record, I am Jason Stalinsky, RID policy, planning, and prosecutions. The Consolidated Appropriations Act, enacted December 27, 2020, contained the Continued Assistance Act, or CAA, which pertains to unemployment benefits. The CAA amended the CARES Act and other federal laws by, among other things, providing for an additional benefit program, state flexibilities, and new requirements concerning the coordination of programs. In terms of benefit payments, these emergency rules will allow the commission to implement a new benefit program called mixed earner unemployment compensation. It operates similarly to federal pandemic unemployment compensation, and it affects certain individuals with histories of limited covered employment and independent contractor work. Additionally, new coordination rules could in some instances result in increased benefit payments to claimants by allowing them to stay on the pandemic emergency unemployment compensation program. Furthermore, these emergency rules allow the commission to take advantage of the new state option for waiving overpayments which meet certain criteria under the pandemic unemployment assistance program. Previously, states were not afforded this flexibility

under the CARES Act. Another CAA flexibility the rules adopt concerns state extended benefits. Under section 209.025 of the Texas Unemployment Compensation Act, the commission has the authority to adopt a new waiting period waiver from the CAA. This provision waives the 14-week waiting period that arises when a state no longer meets extended benefit criteria for one week, but does in a subsequent week. Finally, these rules include a conformity assurance section so that the agency will be able to adapt to any potential additional changes in federal unemployment law. During the surge of unemployment, it is vital that Texans have prompt access to the full extent of unemployment benefits available, including new benefit programs, options, and requirements provided by the CAA. Therefore, staff requests the commissioners find imminent peril to the public welfare, which requires the adoption of emergency rules without 30 days' notice in the Texas Register. On the same basis, staff also requests the commissioners find imminent peril to the public welfare requires the adoption of rules with an expedited effective date that is effective immediately upon filing with the secretary of state, so that these rules can be implemented immediately under the emergency rulemaking provisions of Texas government code section 2001.034, and section 2001.036. Staff will bring forward permanent rules to replace the emergency rules at a later date. Today, staff is seeking your direction on submitting these proposed rules to the Texas Register. If so

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directed, staff seeks approval to make any minor, nonsubstantive corrections to the document for purposes of publication in the 2 3 Register. I am here this morning as a resource to answer any 4 questions you may have. 5 CHAIRMAN DANIEL: Any questions or comments? 6 COMMISSIONER ALVAREZ: None here, Chairman. 7 COMMISSIONER DEMERSON: None. Just Jason, 8 again, appreciate the briefing of this very complex article. 9 Appreciate the briefing. 10 MR. STALINSKY: Thank you, sir. 11 CHAIRMAN DANIEL: All right, do we have a 12 motion on this issue? 13 COMMISSIONER ALVAREZ: On December 27, 2020, 14 the federal government enacted the Consolidated Appropriations 15 Act of 2021, which contained a Continued Assistance for 16 Unemployment Workers Act of 2020. The Continued Assistance Acts 17 amended the CARES Act and other federal laws in multiple ways, 18 including an additional benefit program, state flexibilities, 19 and new requirements concerning the coordination of these 20 programs. Emergency rules are necessary to operationalize these 21 new federal programs, state options, and requirements. During 22 this surge of unemployment, it is vital that Texans have prompt 23 access to full extent of unemployment benefits available, 24 including new benefit programs, options, and requirements

provided by the Continued Assistance Act. Out-of-work Texans who

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1 are struggling to pay their bills need access to these 2 unemployment benefits. These benefits serve as a stabilization 3 factor in our local economies, which are critically needed due 4 to the statewide disruptions caused by COVID-19 global pandemic. 5 I move that the commission formally find that the immediate action is required to avoid imminent peril to the public 6 7 welfare, which requires the adoption of emergency rules within 30 days' notice in the Texas Register, and with an expedited 8 9 effective date that is effective immediately upon filing with 10 the secretary of state, pursuant to Texas government code 11 sections 2001.034 and 2001.036. 12 COMMISSIONER DEMERSON: Second. 13 CHAIRMAN DANIEL: It's moved and seconded. 14 Motion carries. 15 MR. STALINSKY: Thank you, Commissioners. 16 CHAIRMAN DANIEL: This is Agenda Item 11, 17 discussion, consideration, and possible action regarding the 18 acknowledgement of gifts and donations of \$500 or more in value 19 given to the Texas Workforce Commission in accordance with 20 section 302.021 of the Texas labor code, and chapter 575 of the 21 Texas government code. 22 MS. FLOOD: Good morning, Mr. Chairman, 23 commissioners, and Mr. Serna. For the record, Gavra Flood, 24 presenting on behalf of the office of general counsel. Under

relevant authority in Texas government code chapter 575, and in

Texas labor code section 301.021, the commission must accept gifts and donations with a value of \$500 or more in an open meeting. For the first quarter of 2021, the only gift or donation with a value of \$500 or more is a donation to the agency, from Qualtrics LLC, with a value of \$807,765.07. The purpose of the donation is to make the donor technology available to the public who have questions about applying for unemployment insurance for TWC's other programs. Please note that in the materials, page five contains a resolution to be signed by the commissioners for acceptance of the donation. Page seven contains a description of the donation, in accordance with Texas government code 575.004. Pages nine through 45 contain the donation agreement that has been developed and reviewed in accordance with 40 Texas Administrative Code section 800.9. OTC has conducted our review and determined the donation meets statutory requirements. Accordingly, staff recommends acceptance of the donation. I'm available for any questions.

CHAIRMAN DANIEL: Any question or comments?

COMMISSIONER ALVAREZ: None here, Chairman.

COMMISSIONER DEMERSON: None.

CHAIRMAN DANIEL: Do we have a motion on

this issue?

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COMMISSIONER ALVAREZ: I move that we acknowledge the donation from Aquatrics LLC [sic], valued at more than \$500, as discussed by staff.

1 COMMISSIONER DEMERSON: Second. 2 CHAIRMAN DANIEL: I just wanna clarify, 3 Commissioner Alvarez. You got \$500--uh, you cut out; I missed 4 part of that. Your motion was to accept the gift of \$500 or 5 more? 6 COMMISSIONER ALVAREZ: Yes, sir. 7 CHAIRMAN DANIEL: All right, so moved--8 COMMISSIONER ALVAREZ: As discussed by 9 staff. 10 CHAIRMAN DANIEL: Okay, perfect. It's been 11 moved and seconded, and motion carries. 12 MS. FLOOD: Thank you. 13 CHAIRMAN DANIEL: Thank you. 14 COMMISSIONER ALVAREZ: Chairman, I'd like to 15 add, before we adjourn, that on Agenda Item 10, I thought we 16 were gonna--we had two motions, and I only referenced the one 17 regarding the Texas government code sections of 2001.034 and 18 .036. I didn't include the second motion, which was the second 19 part of Jason's discussion, or presentation, I should say. 20 CHAIRMAN DANIEL: Okay. 21 COMMISSIONER ALVAREZ: So, would it be 22 appropriate to go back and now reference my second motion, which 23 I probably should have included? 24 CHAIRMAN DANIEL: We can. We're gonna go 25 back to Agenda Item 10 and take your second motion.

COMMISSIONER ALVAREZ: Thank you, sir. If I may, I also move that we adopt on emergency basis, pursuant to Texas government code section 2001.034, Texas labor code sections 209.025, and 301.0015(a)6, and 301.062, the proposed amendments to chapter 815 rules relating to the unemployment insurance benefits general provisions in section 815.4, extended benefits in section 815.175, and CARES Act provisions in sections 815.180 through 815.185, and publish them to the state register, with permission for staff to make minor, nonsubstantive changes.

COMMISSIONER DEMERSON: I second that.

CHAIRMAN DANIEL: It's been moved and seconded, and the motion carries.

COMMISSIONER ALVAREZ: Apologize for that.

CHAIRMAN DANIEL: No worries. This'll bring us back to Agenda Item 13, discussion, consideration, and possible action regarding guidance on resource utilization, implementation, services, and strategies to target disaster relief efforts and public health emergencies, including those funded with the Department of Labor's disaster dislocated worker program.

MR. SERNA: Mr. Chair, commissioners, for the record, Ed Serna, executive director. We have four update reports for you today, starting with Clay Cole over at UI, and then we'll proceed with a childcare update, a workforce update,

and then finally a vocational rehabilitation update. So with that, I'll ask Clay to provide an update.

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MR. COLE: Morning, Chairman Daniel, Commissioner Alvarez, Commissioner Demerson, Mr. Serna. For the record, Clay Cole, Unemployment Insurance Division. Today I'm following up with the UI update regarding your request last week, Chairman, for an update of all measures taken in response to the COVID-19 pandemic in general, where we've been and where we are today. Beginning in March through yesterday--March 2020 through yesterday, TWC's paid out approximately 40 billion in unemployment benefits and processed over seven million claims. Just to put this in perspective, if you look at calendar year 2019, there were 738,000 claims, compared to the last 11 months--over seven million claims. That's a 948 percent increase. And if you compare the two billion paid out in calendar year 2019 with the 40 billion paid out over the last 11 months, that's a 2,000 percent increase. In fact, in comparing March 8, 2020 through yesterday, the 11-month period, the claim numbers were even higher for that 11-month period than the last six years combined from 2014 to 2019. And to handle the surge and assist our fellow Texans, we needed more technology, we needed more staff. The unemployment insurance division took immediate action by converting 450 current TWC employees from other departments to assist with UI claims, and we assembled approximately 1,514 volunteers, even including volunteers from our own Texas state

senate and Texas house of representatives. Vendor partners' contracts were immediately signed, thereby doubling the number of active call centers from four to eight call centers, and increasing total claims processing staff to 3,392 individuals. During this time, TWC, UI, and our partners received a staggering 173 million calls. In addition, a virtual telecenter was also implemented for intake an inquiry calls, routing them to the first available and appropriately skilled customer service represent in any telecenter. Also, changes associated to the pandemic programs, we were able to increase workloads--the UI division rose to this challenge by a record-setting productivity of 8.5 million assignments handled, which was a 727 percent increase compared with 2019. Proactively, TWC anticipated calls would continue to increase; therefore, we expanded our call center hours of operation to 12 hours per day, 7:00 a.m. to 7:00 p.m., seven days a week, which we continue to do today. We also increased our server capacity for our UI claim systems from five to 20 servers. An interactive, automated web chatbot program was created to handle frequently asked questions from customers and employers. Larry the chatbot answered 11.5 million questions during this time period, and a new and secure online document upload portal was also implemented in order for claimants and employers to more effectively provide necessary documents. TWC also created unique claims-handling tool, the DUA worker app, to distribute claim [inaudible] items to TWC staff

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volunteers and contract call centers, which expedited claims handling and processing. Additionally, TWC engaged with another partner to deploy a cloud-based interactive voice response system to improve services. Since going live, the interactive voice response handled more than 11 million calls, and in addition, the interactive voice response includes a chatbot that leverages speech recognition and provides answers to common unemployment questions. To aid our fellow Texans who lost their job, TWC also suspended work search requirements, waived the waiting week, and temporarily suspended offset collection efforts for claimants who owe prior debts to TWC. As you remember, on November 1, work search was reinstated for most counties in Texas. We also assisted Texas employers by waiving chargeback requirements for covered employer layoffs due to COVID-19, and continue to search for every available option that will help all employers recover and rehire their staff as Texas works to return to normal. For appeals hearings, again, the pandemic brought extraordinary challenges, with about a 1,000 percent increase in hearings, from an average of about 2,200 per week pre-COVID to an average of 22,000 appeals received per week since COVID-19 struck. Also, the same lines of our claims area-in line with our claims area, our appeals department hours were extended to 7:00 p.m. during weekdays, and we added Saturday hearings as well. We immediately brought on additional staff in appeals as well, but as you know, attorney staff that hold the

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unemployment hearings are more have more limitations on recruiting from other departments, as these positions are harder to fill. Nonetheless, we did have an additional 62 volunteers from other areas that have since begun returning to their primary duties, so we don't have as many volunteers now, but continuing to assist, we were able to bring on an additional 160 additional appeals staff from direct hires through temporary agencies, by working with contractors. We have access to attorney job seekers as well. And because of these additional hires, the next week, we've scheduled over 5,000 hearings, which is a record for us. And we'll continue to work to increase that productivity. The Texas Workforce Commission continues to explore options to keep the 2021 tax rates as low as possible for Texas employers, as Texas and the entire nation continue to deal with the economic disruptions of COVID-19 pandemic. TWC's partnering with federal and state officials on ways to reduce the impact of COVID-19 on Texas employers. We knew January would be an extremely busy month with all the new federal legislative changes under the Continued Assistant Act [sic] extensions. Also, being a change of quarter month and distributing over 2.9 million 1099Gs. On top of that, we've experienced an increase in claim activity compared with December. Along with our IT and external relations teams, we've successfully implemented the vast majority of the Continued Assistance Act programs that extend the pandemic emergency unemployment compensation,

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pandemic unemployment assistance, federal pandemic unemployment compensation, and state extended benefits programs. We continue to update approximately 10 to 20,000 unique customer claims of the over 1.2 million claims extended, as well as introducing overpayment tracking and mixed earners unemployment compensation automation under the federal programs. TWC did complete the distribution of the 1099Gs to roughly 2.9 million individuals paid in 2020. Things went smoothly; however, we are receiving a relatively small number of enquiries from individuals that received a 1099G, however indicated they never filed for unemployment. An even smaller number of customers that did not receive a 1099G that were initially under investigation for potential ID theft. And staff are working closely with these customers to resolve their enquiry. The UI team realizes the race is far from over. We continue implementing solutions to better serve our customers through new technology, continuous process improvement, staff development, increased resources, and strategic communication. We continue to work very closely with all our partners to improve customer service. UI teams, partners, and volunteers have been relentless and remarkable in responding to the pandemic, and I assure you, we are nowhere near done, and we will continue to further improve our service delivery for our fellow Texans. This concludes my update, and I'll be happy to answer any questions you may have.

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CHAIRMAN DANIEL: Thank you, Clay. Any questions or comments?

COMMISSIONER ALVAREZ: Chairman, I'd just like to take this opportunity to thank Clay and his staff for a detailed report. It's obvious we still have challenges, and I appreciate the fact, Clay, that as these challenges come up, that you address them. So, thank you for that. And thank you for improving the wait times. I know that seems, again, your staff, the call center folks, have done an excellent job of responding as quick as possible. And I just wanted to take this opportunity to thank you for that, and please convey that message to everyone on your staff, and again, our front-line workers there with the call centers.

MR. COLE: Thanks, Commissioner Alvarez.

You're welcome, and we'll let them know. Appreciate it.

Appreciate the support.

COMMISSIONER DEMERSON: Clay, I wanted to just kinda let you guys know I appreciate the team's work on exploring ways to keep [inaudible] tax rates low, all the creative thoughts that are going into that, and [inaudible] a resource for you guys as much as we can as we proceed forward with those [inaudible]. Thank you for what you guys are doing.

MR. COLE: Thank you, and yeah, we'll continue to work closely with you, Commissioner Demerson.

CHAIRMAN DANIEL: Clay, thank you. Great report, lots of things going on. We've got more work to do, as you've already pointed out. I know you guys have been at it for a long time, and I appreciate your willingness to continue to innovate and provide customer service that Texans should expect from us. And so we'll keep working toward that end. Let us know if you need additional resources or what you may need, but I know you have been thinking about these things, and obviously have a plan of action in place, and you're working your [inaudible].

MR. COLE: Thanks, Chairman Daniel.

CHAIRMAN DANIEL: All right [inaudible]--

 $$\operatorname{MR.}$ SERNA: Next, we have an update from Reagan Miller on our childcare activities.

MS. MILLER: Good morning, Chairman, commissioners, Mr. Serna. For the record, Reagan Miller with the Childcare and Early Learning Division. This morning I'm happy to provide you with an update on actions the agency has taken to address the childcare impacts of COVID. With the first set of federal funds approved under the CARES Act, Texas received about \$371 million in childcare development block grant funds. With those funds, we immediately implemented a childcare program for essential workers, enrolling over 29,700 children from April through May 20, with each child receiving three months of childcare. This was done at the time schools across the state

were closing, and many parents had not planned for nor budgeted for childcare. We supported this using approximately 55 million of the CARES Act funds. We also increased funds for our lowincome program in both board contract year '20 and '21, investing about 52 and a half million here, and finally, the majority of these funds were invested to support a temporary enhanced reimbursement rate for subsidy providers who have been experiencing overall higher costs during the pandemic. Over 253 million has been budgeted to support this temporary enhanced reimbursement rate, which began in March 2020 and will continue through July of 2021. In addition to the CARES Act funds, the Texas Workforce Commission also addressed the impacts of COVID using existing childcare funds. At the beginning of COVID, when the governor's executive order had closed all regulated childcare to everyone except the children of essential workers, TWC put in place a temporary measure to pay the parent copay. During the two months that this was in place, we invested about \$20 million. We also supported childcare providers who closed following COVID in the spring of 2020. Through the end of May, we continued to pay providers based on the number of active referrals they had in place at the time they closed, then in June we implemented a childcare stabilization grant for closed subsidy providers who planned on reopening around the time school started. So, looking from June through September, we supported 59 providers in June, 54 in July, 42 in August, and 30

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in September, and provided almost \$750,000 to help them pay for those fixed costs while they were closed, so they could reopen. And today we continue to support subsidy providers who must temporarily close due to confirmed COVID cases. Boards can play for closures that last up to two weeks, and anything that goes beyond two weeks may be considered on a case-by-case basis with TWC approval. And we also used some of our regular childcare funds to develop a new online childcare availability portal. This website remains up and running and allows parents to search for available childcare seats across the state. And then as Travis Weaver has mentioned in his childcare match agenda item, you did approve match forgiveness for four boards as a result of COVID, but fortunately, as Travis mentioned, those boards were able to identify sufficient local match, and so that match forgiveness is no longer needed. We also took several program and policy actions to help address the COVID impacts to childcare. From March through November, TWC waived its rule regarding work requirements and extended the length of time parents had to secure employment if they lost their job. And during this timeframe, we also allowed for the blanket extension of eligibility redeterminations. Regarding our policies for how we pay providers, we have existing policy and rules that we pay providers based on the enrollment of a child, and we coupled this with our rules on attendance standards. And after 40 absences, a child's eligibility may be terminated. However,

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during COVID, we have waived the 40-day absence policy and this waiver remains in effect today. I'll also highlight the work that we did with the Texas Division of Emergency Management, or TDEM, to help childcare providers access PPE and cleaning and sanitation supplies. Early on in the pandemic, those materials were really hard to find. So, to help them, we were able to use that online availability portal to reach out to providers using the system. TDEM helped with three rounds of distributions, making those available across the state through the local Texas A&M AgriLife locations. We had over 3,300 providers in June and again in July, and then 1,400 providers in August that were able to purchase supplies through this new distribution chain. In closing, I'll mention, of course, the new COVID release package that was signed into law at the end of December. We still have not received official guidance from the U.S. Department of Health and Human Services, but estimates show that Texas will receive over \$1 billion in federal childcare and development block grant funds, and of course we'll continue to work with you on our future strategies to invest those resources. That concludes my presentation.

CHAIRMAN DANIEL: Thank you. Questions or

COMMISSIONER ALVAREZ: None here, Chairman. Good report.

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comments?

COMMISSIONER DEMERSON: Reagan, thank you guys at [inaudible] for the excellent work in the childcare space. Essential workers are very, very, very necessary and I like the fact that you've been very proactive in a lot of ways. And this was a good report with a lot of information, and it shows what we've been doing in that space.

MS. MILLER: Thank you.

CHAIRMAN DANIEL: [inaudible]

MR. SERNA: And now, Courtney Arbour, with a workforce update.

MS. ARBOUR: Morning, commissioners, Mr. Serna. Courtney Arbour, Workforce Division. I have a few updates related to the workforce division COVID recovery activities. As you know, many of these activities are—which were approved by the commission are carried out by agency staff in multiple divisions, workforce boards [inaudible] grantees, and other partners. On the employer front, most notably, the workforce division and employer initiatives continue to work with employers and partners to provide training in the skills development fund. Since May of 2020, when you all approved funds specific for this purpose, 12 million—a little over 12 million was made available and is in grant contract, with a planned number to train of 81—almost 8,200. Four thousand, six hundred and twenty—six people have been trained to date in that program, and we're hearing great feedback about the flexibilities that

are afforded through that contracting process. Employers have really been able to adapt to what they need as quickly as they need to for COVID. Training is on topics like safety, disinfecting, patient care, manufacturing, and they're also using it to provide new skills to workers, and also to transition their operations to more COVID-related needs. So that--we're hearing, again, great things about the skills development flexibilities. In January, we continued to see increased enrollments in the metrics online learning courses that you all approved very early in the pandemic. Texans began using it in July 2020, once we were able to get under contract, and as of the end of January, we have close to 53,000 folks registered in the metrics online learning platform. They've completed 92,721 courses and about 90,000 learning hours. So they're able to add that to their resumes and mention that in interviews, and they're able to go on if they would choose to do this on their own, and get certifications -- go on for testing for certifications. The call centers that the Workforce Division procured have outreached 657,355 claimants to help them connect with local offices and other resources they may need, helping 54,170 to register for work and answer questions about uploading their resumes and finding help with that, if needed. Through the WIOA-funded grant that you all approved at the very beginning of the pandemic and were awarded in May 2020, 424,032 Texans--424,032 Texans have received services through virtual job

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readiness, coaching sessions, occupational training, boot camps geared to specific occupations that are in demand in their areas. The grants have supported 8,276 employers with rapid response activities and layoff aversion, which, as you know, commissioners, helps to offset some costs that they've faced during COVID, and also help them address the challenges with staffing, and sometimes even assist with layoff and helping those workers to connect to resources and transition to other available positions. With that grant, boards have also -- the WIOA funds, boards have also purchased technology platforms to expand and continue their virtual services, which continue on today. TANF funds that you all approved, again, in I believe it was April, very early in the process, have also provided similar support for boards. They've been able to support the purchase of the technology platforms and keep the doors open, even when the doors weren't open. We'll be briefing your offices on the specifics of the expenditures later this month. The largest of all the grants in place administered by the Workforce Division is the Department of Labor's disaster grants. That was so granted to boards at just under 39 million is the total grant for TWC. We were congratulated. Commissioners, I wanted to share with you and Mr. Serna that we were congratulated by the Department of Ed for the Texas performance on this grant. Over four and a half million dollars of that funding have already helped 757 Texans and the employers they're hired with

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participate in paid short-term employment that provides disaster relief and recovery in local areas, and also provides career and training services to everybody that's enrolled. Boards continue to focus on increasing the enrollments in meaningful job activity for anyone that is enrolling in that program. I wanted to highlight something [inaudible] county board is doing with their grant dollars that DoL congratulated them on, and we've been excited to see. Through these grants, they've purchased some technology that helps them outreach and screen potential job candidates, and in partnership with the health department there in [inaudible] county, the board has been able to do prescreening of a number of applicants for some of those crucial jobs that the health department has, so that by the time--very quickly, the board has been able to send referrals over to the health department, and the health department then can select from a small group of highly qualified Texans and fill their positions very quickly. So, that's one example of some of the partnerships that are growing and being strengthened through the innovative purchases and work that has come about because of this shift in service delivery. With the Ikea donation that you all approved last month, staff in many areas of the agency are working on projects to provide data analytics and tools for employers as they transition to curbside contact lists and learning more about how COVID has changed their consumer behaviors. The home project provides funds to boards to directly

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support employers as they transition to telework and contact lists. Texas restaurants will benefit from the restaurant recovery initiative. That is the partnership we have with Texas Restaurant Association, providing instructional videos with tips on going and staying curbside, and contact lists. Also providing food-handling permits and ServSafe certifications to Texans at no cost, so they can go to work in the industry as that very valuable industry continues to bounce back. Job-seekers, again, through the Ikea project, job-seekers are benefitting through a pre-apprenticeship program, specifically young people, who will be able to start in a program that will lead them either into higher education in that field or into a full-blown registered apprenticeship program. The funds also provide grant-supported consumable supplies. These projects were approved just last month, but they're in development now, commissioners, and you know we'll give you updates along the way. The last project funded with the Ikea donation was the My Texas career portal, which launched last month. We're hearing good feedback from users. That is all the employers who were [inaudible] Texas are fed into this job-matching portal, and users--those claimant, or customers and others that wouldn't traditionally use our system can go in a very quick, streamlined fashion, upload a resume, and begin job-matching. On to AEL, adult education front. We continue to provide support to providers as they support students in an all-new learning environment. Since you all

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granted funds specific to virtual and remote learning in May 2020, providers have made it available with about 40 percent of all of our AEL learners now using a virtual or a hybrid process for their AEL classes, and support from their instructors. Our enrollments are lower than we'd like right now in AEL. We're at just under 24,000, which is much lower than we normally would be at this time. But honestly, all states are struggling in this area, and commissioners, because you all have been focused on virtual means for adult ed in past years, we were on good footing--better footing than many states going into this pandemic. So, we're hearing on our calls with Department of Ed and other states that really, as much as we hate to see these low numbers and we're working hard to get more adult ed students enrolled and engaged through these hybrid models, it's common across the U.S. I'll just make one more mention, that the Workforce Solutions offices continue to provide services either by walk-in, with the doors fully open, or by appointment. Everybody continues to do one or more services virtually, just as a way to bolster the services that are available out there. They're having many hiring events, most virtual to date, since the pandemic, and I believe we started calculating this in May of 2020. We've had--the local offices have posted 717 virtual hiring events, 119 in-person hiring events, and those events represent 229,000 job openings with 8,616 employers participating. So clearly, a lot of hiring going on, and good

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work continuing, whether in-person or virtually. That concludes my update. I would be happy to answer any questions that you have.

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CHAIRMAN DANIEL: Any comments or questions? COMMISSIONER ALVAREZ: Chairman, I have a comment for Courtney. Courtney, I wanna thank you, your staff, of course the agency as a whole, for how quickly workforce pivoted the meet the demand of not only the employers, but jobseekers. Thinking outside the box, as you've heard me mention multiple times, I appreciate that. And I also appreciate the fact that you, Ed, and other members of our team meet with our local workforce boards to kind of provide them with updates. I really wanna compliment, and I actually should say I wanna thank Ed for allowing those that have made a presentation today at this particular Agenda Item, very good information. Again, I would encourage not only staff to be a part of these discussions or listening to our commission meetings, but also our boards. I think there's a lot of important information that you're sharing, especially when you talk about [inaudible] county or other communities. I think they need to be recognized for all the great work that they do. But again, I do--this is a team effort, and what you have put together with your staff to make these programs and these opportunities available to job-seekers and assisting employers is very crucial, and we all understand that we have challenges and we can't forget that we have folks

that are waiting, still, online, to get through. But we're doing it together. And so, I'm glad that folks are--those that are on, listening to today's call, hopefully they're paying attention to some of the good things that the agency has done, even though we're facing challenging times. So, thank you, Courtney, and again, convey that message to your staff.

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MS. ARBOUR: Thank you, for sure.

COMMISSIONER DEMERSON: [sounds like] And Commissioner, I'm excited having [inaudible] I've heard from Clay, Reagan, and now Courtney. I mean, the ball is moving and has been moving, and we're doing some [inaudible] and that heads off, Ed, your leadership, and Courtney, you guys and what you're doing. If I can do anything from my standpoint, I'm right there with you guys. But I love the fact [inaudible] county utilizing their technology. I was talking to Paul Fletcher the other day at one of the local boards, and he was sharing with me the retail analysis that's going out now. He has the [sounds like] five there in how his community's excited about putting that out, and putting it to work. And that tells me that you guys are taking what you have and putting it out there in the community. The boots on the ground at the local level, and that's where everything happens. And I'm excited to hear about what's taking place, so good work. Thumbs up, as they say. Appreciate it.

MR. SERNA: One last presentation, from Cheryl Fuller, and then that concludes our presentations.

MS. FULLER: Good morning.

MR. SERNA: One quick thing, though--I'm sorry, Cheryl, to interrupt you. One quick thing, commissioners, I wanted to add that Courtney didn't mention. When she talked about the call centers and the number of people that they have reached out to and worked with, one thing that she didn't mention was that we had about over 40,000 that they didn't need to call us back, but they called us back and told us that they had found employment already [inaudible] those contacts. So, just wanna make sure that you all were aware of that as well.

MS. FULLER: All right, good morning, Mr. Chairman, Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the record, Cheryl Fuller, Vocational Rehabilitation Division. Since the onset of the COVID-19 pandemic [inaudible] this last March, the VR division has focused its efforts in three primary areas. First is adapting our business processes and service delivery strategies to ensure continuity and services to our current customers, access to VR services for new customers, and to implement innovative ways to serve all our customers using technology. Second is we focused on improving our services by collaborating with providers and stakeholders. [inaudible] also focused on improving our internal process using rapid process improvement. And third, we have focused on developing plans to maintain what is working and continue to identify and implement innovative strategies for service

delivery after the pandemic. So this morning, I'd like to share just a few highlights from each of these focus areas. [inaudible] adapting business process and finding innovative ways to use technology, on March 30, which was two weeks into the onset of the pandemic in Texas, we issued temporary exceptions to our business processes to enable our staff, providers, and customers to receive, sign, and submit documents electronically. The exceptions also enabled us to move to virtual strategies to continue services to current customers and engage new customers. Not only are these exceptions important for service continuity, they also include ease of access for our customers, and reduce their need to travel to an office or another location to work with us. To maintain these improvements, in September we incorporated many of them into our standard business processes. Throughout this time we've also worked closely with TWC IT, not only to ensure that our staff are equipped to work and serve customers remotely, but also to continue to identify and implement technology solutions to better engage and serve our customers. To highlight just a few of those, shortly after it launched we added VR questions to Larry the bot, which has provided VR information to 8,280 individuals to date. We established a small rapid engagement team that is available to interested individuals through one statewide number and email address. Since its launch in July, this team has connected 2,456 individuals to VR. We also adapted

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a virtual hiring fair platform by using it to provide career exploration activities to students with disabilities. By the end of 2020, VR staff had conducted more than 25 virtual student transition fairs attended by more than 2,000 individuals. In just a few weeks, we will launch a portal that will enable interested individuals to self-refer to VR by clicking a link on our website. And we're working with IT and business operations on an automated attendance system that will facilitate ongoing communications and increase engagement between VR staff and customers. With regard to improving our services and processes, we have collaborated with our providers and stakeholders to increase the efficiency and quality of our services by taking an in-depth look at where we need to improve. They've provided input about challenges, recommended solutions, and they're providing ongoing feedback on our efforts to improve the vehicle modification process that you just heard about earlier this morning. [inaudible] the employment services we offer are supported employment services, and also services to our customers with mental health conditions. In addition, we're using what we've learned about rapid process improvement to deploy tools and techniques that help our VR counselors, rehabilitation assistance, and [inaudible] support team members to work together to serve their customers. As we prepare for the future, we understand that the future of service delivery and customer engagement will be different than what we did before

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the pandemic, and we're excited about our plan to adopt a hybrid approach to service delivery. Our goal with this plan is that our customers will be able to choose whether to engage with us in person, remotely, or both. We're also working with IT on solutions to move more toward a paperless approach. We're doing this by implementing systems that enable electronic document transmission and storage, and in fact, we're currently piloting a new system that will allow providers to submit reports and invoices electronically. That [inaudible] will be stored electronically and connected to the customer's case file in our case management system. We are also looking forward to serving students this summer. Last summer, we were able to convert about 17 of our planned summer programs to virtual format, serving over 1,100 students. However, we were so disappointed to have to cancel our largest summer program, summer earn and learn. It was necessary, though, for the safety of our students and communities. But this year, as of last Thursday, we've executed contracts for summer earn and learn 2021 of all 28 workforce boards, and our goal with our workforce board partners is to provide work readiness training and work-based learning to more than 2,500 students this summer. And this year, we have included options for virtual work readiness and remote [inaudible]. So, while the pandemic has been very challenging for the VR program and especially for our customers, the last almost year has given us an invaluable opportunity to adapt, to improve, to innovate,

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and to plan for the future. And we've been able to do this at an accelerated pace thanks to the support from other TWC divisions, including IT, business operations, operational insight, and external relations. And also thanks to the support and engagement from our stakeholders and providers. As we [inaudible] 2020, for the calendar year, more than 22,500 people applied for VR. More than 56,000 of our VR participants received services to help them prepare for, obtain, and retain employment, and more than 10,000 of our participants completed their planned services and achieved successful employment. So, we are committed to continuing to implement what we've learned and improve as we go forward. That concludes my remarks, and I'd be happy to answer any questions.

CHAIRMAN DANIEL: Any questions or comments?

COMMISSIONER ALVAREZ: Thank you, Ms.

Fuller. Great report.

COMMISSIONER DEMERSON: Cheryl, I'm gonna continue to recognize employers that are playing in that disability space [inaudible] space and other boards [inaudible] for doing that and working with the RCT, pushing forward in that regard. So, thank you for what you're doing.

MS. FULLER: Yes, sir.

COMMISSIONER DEMERSON: Thank you.

CHAIRMAN DANIEL: All right, thank you.

1 MR. SERNA: Thank you, sir. That's the last 2 update that we had. That's it for this Agenda Item. 3 CHAIRMAN DANIEL: All right, thank you so 4 much. This is Agenda Item 14, discussion, consideration, and 5 possible action regarding approval of local workforce 6 development board nominees. 7 MS. WILLIAMS: Morning, Chairman, 8 commissioners, and Mr. Serna. For the record, Shunta Williams 9 with the Workforce Development Division. And before you for 10 consideration today we have workforce board nominations for 11 Workforce Solutions Alamo, Borderplex, deep East Texas, north 12 central Texas, and Golden Crescent. Staff recommends that all 13 nominees be approved, and I'm here to answer any questions you 14 may have. 15 CHAIRMAN DANIEL: All right, questions or 16 comments? 17 COMMISSIONER ALVAREZ: None here, Chairman. 18 COMMISSIONER DEMERSON: None. 19 CHAIRMAN DANIEL: All right, do we have a 20 motion on this issue? 21 COMMISSIONER ALVAREZ: Chairman, I move that 22 we approve board nominees for Alamo, Borderplex, deep East 23 Texas, north central Texas, and Golden Crescent. 24 COMMISSIONER DEMERSON: Second that motion.

1 CHAIRMAN DANIEL: It's been moved and 2 seconded, motion carries. All right. Agenda Item 15, we don't 3 have any legislative proposals to discuss today. Is there a 4 legislative report today? 5 MR. SERNA: Yes, sir, there is. 6 MR. BRITT: Good morning, Chairman Daniel, 7 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For 8 the record, Michael Britt, governmental relations. Currently, 9 the Texas house and senate are adjourned until next Tuesday, 10 February the 9. The house will reconvene at 1:00 on Tuesday and 11 the senate at 3:00. It's also being reported that house committee assignments will be released sometime this week. And 12 13 finally, wanted to update you all that the senate finance 14 committee has scheduled their hearing for articles seven and 15 eight, which will include TWC, for Thursday, February 18, at 16 9:00 a.m. The exact order of the agencies for the hearing and 17 protocols for personnel testifying are still being finalized, 18 and we will keep you updated as those become more clear. And 19 that concludes my remarks, and I'm happy to answer any that you 20 all may have. 21 CHAIRMAN DANIEL: Thank you, any questions 22 or comments? 23 COMMISSIONER ALVAREZ: None here, Chairman. 24 COMMISSIONER DEMERSON: None, thank you. 25 MR. BRITT: Thank you.

CHAIRMAN DANIEL: Thanks very much. All right, now an executive director's report.

MR. SERNA: Yes, sir, I have one item that Tom McCarty will lay out for us.

MR. MCCARTY: Good morning, Chairman Daniel, Commissioner Alvarez, Commissioner Demerson, Tom McCarty, with external relation. It's my pleasure to present to you all that Kim Berry [sic] was nominated by her supervisor, Michael Britt, for the individual star award due to her demonstration of dedication and service to the governmental relations department and the agency during the 86 Texas legislative session. I'll provide a few highlights from the substantial write-up of Kim's actions as it relates to this award. While maintaining her own assessments and workload, which during a legislative session is significant, Kim, on her own initiative, trained new staff on departmental daily and legislative operations, software used by the government relations department, and invited staff to meetings to help build knowledge in program areas. Her actions not only demonstrated clear performance above and beyond her assigned duties, but also demonstrated the very definition of teamwork. Please join me in congratulating Kim and thanking her for her exceptional service to the agency.

CHAIRMAN DANIEL: Thank you.

MR. SERNA: Did you wanna have Kim--

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                          COMMISSIONER ALVAREZ: Well deserved. A well
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   deserved award.
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                         MR. SERNA: Did you wanna have Kim say
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   anything?
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                         MR. MCCARTY: I think you all can see Kim on
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   your screen now.
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                         MR. SERNA: There she is. Kim, you wanna say
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   a few words, or are you good?
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                          MS. BERRY: I'm appreciative and just thank
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   you, and I am lucky to work with a very good team.
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                         MR. SERNA: All right. Congratulations, Kim.
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   Good job.
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                          COMMISSIONER ALVAREZ: Congratulations, Kim,
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   good job. Well deserved.
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                          COMMISSIONER DEMERSON: [Inaudible] gave you
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    the hand clap, so appreciate all that you're doing. And so
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    [inaudible].
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                         MR. SERNA: Our legislative folks normally
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   work behind the scenes, so it's always fun for me to bring one
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   of them out into the light. Especially for one that's done an
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   outstanding job, so. Mr. Chairman, that concludes the executive
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    director's report.
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                          CHAIRMAN DANIEL: Thank you so much. Is
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   there any other order of business to come before the commission
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   today?
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                          COMMISSIONER ALVAREZ: Chairman, I'd just
   like to acknowledge that February is two things that are very
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   dear to me. One is CT awareness month, and the other is
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   celebrating Black History Month. So, I'd like for everyone to
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   join me in that.
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                          COMMISSIONER DEMERSON: We're joining you in
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   all of those as well.
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                          CHAIRMAN DANIEL: Absolutely. Absolutely.
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   Anything else? Do we have a motion to adjourn today?
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                          COMMISSIONER ALVAREZ: Chairman, I move that
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   we adjourn.
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                          COMMISSIONER DEMERSON: I second that
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   motion.
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                          CHAIRMAN DANIEL: It's been moved and
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   seconded to adjourn, and we are adjourned. All right, y'all have
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   a great week.
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