

MEETING OF THE TEXAS WORKFORCE COMMISSION

DATE

February 1, 2022

Tuesday, February 1, 2022

CHAIRMAN DANIEL: Good afternoon, everyone. The meeting is called to order. Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: Good afternoon, Commissioners. We have a few folks who would like to address the commission when we get to the docket portion.

CHAIRMAN DANIEL: All right.

 $\ensuremath{\mathsf{MR}}\xspace$. TROBMAN: Excuse me, the policy portion.

CHAIRMAN DANIEL: Got it. Good afternoon,

Ms. Gonzales.

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CHAIRMAN DANIEL: Thank you. This brings us to the end of Agenda Items 3 through 7. Let's take a short break.

CHAIRMAN DANIEL: We're back with Agenda

Item 8, pledges—no, we don't have any pledges for Board Contract

Year 2021-2022, child care matching funds. Nothing under Agenda

Item 9. This is Agenda Item 10, CCDBG, COVID-19 Federal Funding,

Fifth Tranche of New Initiatives.

ALLISON WILSON: Good afternoon, chairman, commissioners, Mr. Townsend. For the record, Allison Wilson with Child Care and Early Learning Division. Today for your consideration we are bringing forward the fifth tranche of child care stimulus-funded initiatives. We have four issues for you today. The first is dedicating 10 million dollars to support

outreach and education campaigns. At the November 2 commission meeting following some public comments that were made, Chair Daniel asked that we look at opportunities to support a recruitment campaign highlighting opportunities to work in the child care field. In addition, TWC previously received input about how we could conduct an outreach campaign on the importance of quality child care including information about Texas Rising Star. Approving funding for outreach and education campaigns would allow us to address both of these issues. The second issue would dedicate 13.5 million for training-related strategies. This is made up of three training projects and would complement stimulus-funded training projects previously approved. The three new training efforts which are described in more detail in your material are, one, support for Texas A&M AgriLife's online training; two, funding for Health and Human Services Commission's early child intervention program to support collaborative training efforts between ECI and TWC's child care services program; and three, funding to support TWC's existing skills for small businesses program dedicating specific funding to support the child care industry. The third issue we have outlined is an additional one billion dollars toward the 2022 Child Care Relief Fund. You previously approved 2.45 billion for this initiative. If approved, this would bring our total budget to 3.45 billion. As we outlined in the paper, these funds will give child care providers more resources to help them

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with operating costs. I want to specifically highlight how these funds can help child care providers address the ongoing challenges that they may be facing with employment and staffing. They can use these funds for hiring bonuses, retention bonuses, and wage supplements. They can also use these funds to enhance their employee benefits packages, and that could include providing paid time off, free or reduced child care for their staff or training stipends. Lastly, our fourth issue that we bring forward today dedicates 75 million dollars for child care capacity expansion. The capacity expansion focuses on three areas. One, expansion in child care deserts; two, infant capacity expansion in all areas of the state; and three, employer site-based child care in all areas of the state. If approved, TWC will contract funding out to an organization that can work with child care providers who are starting up a new business. This entity will provide business planning and support and will administer funding to child care providers. Child care providers will be required to submit a business plan, to meet with TWC's contracted entity, and participate in technical assistance for needs that are identified. Child care providers may qualify for two increments of funding. First, upon approval of the business plan, the child care program will qualify for a startup award. Secondly, once the child care provider receives their permit from child care regulation, they would then qualify for an initial operating award. The discussion paper has

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additional details on how those award amounts will be calculated. This initiative also includes funding for local workforce development boards who are interested in dedicating staff to focus on child care business outreach and support as outlined in the discussion paper. If boards are interested in this, they must submit a request for funding, and this funding is available to support these efforts through April 2024. Finally, the initiative also includes funding for child care regulation, for temporary positions funded through April 2024 to support expansion of regulated child care. The attachment in the discussion paper provides an overview of all child care stimulus funding previously approved as well as the funding that we are recommending for approval in this fifth tranche. That concludes my remarks, and I'm happy to answer any questions you have.

CHAIRMAN DANIEL: Commissioners—Allison, if you'll hang around for just a second, I think we have some public commenters. Let's hear what they have to say and then we'll come back with some questions.

LES TROBMAN: Commissioners, we have three commenters. First up is Cody Summerville. Go ahead and unmute yourself and introduce yourself and begin.

CODY SUMMERVILLE: Thank you. Good afternoon, Commissioners Daniel, Alvarez, and Demerson. My name is Cody Summerville. I'm the executive director of the Texas Association for the Education of Young Children. We are the

state's professional association for early childhood professionals with over 3,000 members in 20 chapters across the state. It is with and through our members that we serve the early childhood field with a shared goal of increasing access to quality programs and ensuring that the workforce in Texas is effective, diverse, well prepared, and well compensated. We are grateful for the recommendations being brought forth today for the commission's consideration. The child care and early learning division staff have put together a tranche of smart investments that will address many of the needs the field is currently experiencing. We appreciate the commission and staff for listening to stakeholders and responding to the needs of the field. It is evident that input has been incorporated into several initiatives being considered today. Our organization supports the initiatives being considered and has a few recommendations to further strengthen them. Regarding the outreach and education campaigns under issue one, in order to make the campaign more effective we recommend that the recruitment campaign include outreach and training to child care providers on best practices related to attracting and retaining high-quality staff including competitive compensation and benefits packages. This could include highlighting programs and initiatives that the commission has funded to support business practices, compensation and benefits such as the child care business coaches and the early childhood professional

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development scholarships. A recruitment campaign will not be successful if the underlying causes of staffing shortages are not addressed. Recruiting and retaining high-quality staff is dependent on competitive compensation and benefits packages. The expansion of the Child Care Relief Funds under issue three is a good first step that will provide temporary relief to the field. The commission has identified key issues that need to be addressed to not only meet the urgent needs for providers but also lay the foundation for stabilizing the system. This investment represents a fiscally responsible use of public funds that will not only support the child care industry but also help stabilize the workforce across all industries. We recommend stronger language be included in this decision that would require child care providers to use a portion of their grants to support enhanced compensation and benefits packages. Additionally, concerted efforts need to be made to support providers in using the strategic investment to support their staff. The one-time or limited-time benefits outlined in the discussion paper are mechanisms that many child care providers do not have experience using. Many providers will have questions about the employment and tax implications related to providing bonuses or temporary pay increases and will need resources to navigate these possibilities. Without stronger language that requires the use of these funds—that these funds be used for compensation and benefits for staff and resources for employers

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on how to use these funds for these purposes, these funds may not go as far as needed to address the child care workforce crisis. We encourage the commission to continue to work with the child care and early learning staff to find sustainable and long-term solutions for addressing the compensation of child care staff. Our organization and our partner organizations are ready to partner with the commission and staff as you all begin outreach to providers. We are willing to lend our voices, influence, and communication channels to help educate child care programs and increase the compensation of the early childhood workforce. Thank you for all that you do and for all that the child care and early learning division staff continues to do to strengthen our state's child care system. Thank you.

LES TROBMAN: Next, we have Brooks Jones.

BROOKS JONES: Hi, my name is Brooks. I'm with Christian Preschool Centers. I think this is exciting, what we're doing with you all adding another billion dollars to this. I think what you have tied to it is already good. We are looking for it. We've actually increased our rate of pay across anticipating this fund so really just getting this fund out to the providers as quickly as possible would be very beneficial. Something that we're trying to understand with it is still the pay structure. Just want to make sure we're getting it paid throughout the year where we're not having to try to figure out how to use our taxes and stuff like if we get a payment in

December, still concerned about that, trying to give it to our people just like an end-of-year bonus versus actually sustaining over a course of time. Still that's a big concern for us just because we still haven't seen what the pay is going to be like and how it's going to be paid so we can plan appropriately for our team going from there. The other issue we had or the other thing that we're looking at is with AgriLife. Really, you're giving them another eight million dollars. We're excited about that. We need to see some of those trainings be free, especially the ones that are required by the state annually like SIDS, shaken baby, transportation, those are required trainings through our state. So I'd like to see those move to the free version of those trainings versus a paid version. And then the other thing is the ECI. We'd like to see ECI requirement when this 4.5 million to be certificate ready for TECPDS. You all are pushing with AgriLife to be part of TECPDS. I'm just asking the same thing. So if they are going to go onsite training, do those things, ready and then able to be TECPDS ready for our teammates and staff, that's-we're excited about this increase. I think it's good. I'm glad you all see us as a valuable part of the community. One last thing is the marker for these schools. You all have it capped out at 100 schools. The school we just opened the last October, August, we're at 170 so you're actually not wanting to get bigger schools for whatever reason. I'd like to see that rate to go-that 75 million to go up in tier levels, not

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just capping out at 100 level for schools because for us to even open, a facility has to be at 110 capacity, and so just kind of keeping that in mind as don't cap out the providers. If you want to open up spots, let's truly open up the spots for the on-sites and the desert areas. That's all I have to say. Thank you.

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LES TROBMAN: Finally Kassi Camargo.

KASSI CAMARGO: Hello. My name is Kassi Camargo and I'm with Christian Preschool Centers, and I really just wanted to kind of touch base on many of the same things that Brooks actually just touched on. If we are wanting to better have retention and have employees that are going to be willing to stay longer if we could, with you all putting that eight million dollars into AgriLife, make some of those startup trainings free. Right now the SIDS training is \$10. I believe early brain development is 15, and so just to get an employee in our doors and for them to do the training through West Texas AgriLife would actually be like a 30, \$35 cost. So if we're trying to get things at a cheaper rate for them for that initial hire, if we could work with AgriLife to get some of those down in price, that would be super beneficial. I love the fact that we are working or you are working to integrate TECPDS because TECPDS has been a concern of ours because it takes a lot of extra effort to get all of those trainings uploaded, especially when you have 300 staff members and you're trying to help them get all of their trainings loaded. So the more websites that we

1 can have linked to TECPDS, that's going to be great. And then I 2 agree with the ECI training, if we could have them TECPDS ready, 3 then that would be super beneficial for all providers as well. 4 That's really what I had to touch on for today. I appreciate 5 your time. Thank you so much. CHAIRMAN DANIEL: Commissioners, any 6 7 questions or comments? 8 COMMISSIONER ALVAREZ: I have two questions 9 for Allison. It's only based on the discussion or the remarks 10 that were made by those that provided them today. So, correct me 11 if we did discuss this in an earlier discussion regarding or was 12 it included on the discussion paper about the anticipated 13 payment schedule. 14 ALLISON WILSON: We did. The last discussion 15 paper that was approved did move those payments to a quarterly 16 payment structure. There will be four payments paid out. 17 COMMISSIONER ALVAREZ: Great. Just wanted 18 that for the record. Also, there was a gentleman who referenced-19 Mr. Jones referenced the number 100. Could we-if we looked at 20 adding funds for larger providers under this expansion 21 initiative, would it delay this action? 22 ALLISON WILSON: No, it would not. 23 COMMISSIONER ALVAREZ: OK, thank you. 24 COMMISSIONER DEMERSON: Allison, I thank you 25 and the team for listening to the child care providers and those

stakeholders that are out there and putting these initiatives that address their needs so thank you for doing that. I wanted to offer up, in listening to some of the comments and the like on the employment side because they'll have a choice as relates to what they do with wages and things of that nature. There's not a requirement but a choice for them to do some of those things. If there are any questions related to what giving someone a bonus results in or with giving someone a merit one time or the other and how that impacts their wages, if we need to do any roundtable discussions with those employers, our employment law side team, we don't mind doing that and partnering with you guys to do that because if there's an entity that wants to ask questions, we'll work with some other teams and put something together to provide those answers before they step out there and not aware of what the impact could be one way or the other so I want to offer that up as well.

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CHAIRMAN DANIEL: Is there a motion?

COMMISSIONER ALVAREZ: Yes, I've got one
more comment, chairman. Those were questions directed to
Allison. Now I just want to make a comment. I also want to thank
the folks that provided public comment today. I want to thank
you, staff, Allison, and your group on all these initiatives,
and I appreciate staff's inclusion of employers' site-based
child care expansion. We've heard from numerous employers who
are interested in developing on-site child care as a retention

incentive, and to address labor shortages. As we move forward, I'd also like to ask staff to continue to look for ways to outreach to employers and child care providers to promote these initiatives, and the initiatives we've previously approved such as expansion of child care apprenticeships. We could also look to leverage our office of outreach and employer initiatives to ensure broad awareness of our programs. All the comments I have.

CHAIRMAN DANIEL: Is there a motion?

COMMISSIONER ALVAREZ: Chairman, I move that we approve the plan and methodology for the distribution of the fifth tranche of COVID—correction, of CCDF COVID—19 federal funding initiative as recommended by staff and described in the discussion paper.

COMMISSIONER DEMERSON: I second.

CHAIRMAN DANIEL It's been moved and seconded. We're unanimous. Thank you. I'm showing nothing under Agenda Item 11. Legislative report, none. Is there an executive director report today?

RANDY TOWNSEND: Chairman, commissioners, for the record, Randy Townsend. I just wanted to give the chair an update. I was able to message with Ed before the meeting today, and it sounded like his recovery is going well. He was feeling well although he said he was a little slower than he would like but that sounds like Ed of course but he sounded like he was up and around a little bit, and so all encouraging. Of

course we wishing him a speedy recovery obviously but if there's anything you need while he's out, just let me know. That was it.

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COMMISSIONER ALVAREZ: I have something to ask, Randy, as well, Chairman? Last Thursday I convened a meeting with industry partners, apprenticeship and workforce staff at the request of Baylor Scott & White and Doctors Hospital Renaissance to discuss their staffing needs. Over the past 10 years, registered nurses have been the top job postings. In 2001, the 77^{th} Texas Legislature passed Senate Bill 572, Nursing Shortage Act, which established a program to increase both student enrollment in nursing education programs, and to the number of nursing school facilities. Rider language has provided funding to institutions of higher education towards this effort. For this biennium the legislature has appropriated about 18 million for this biennium. October 2022, the Texas Higher Education Coordinating Board work group study indicated that pre-RN licensure of students' admissions increased from 10,856 in academic year 2008 through 2009 to 16,284 in academic year 2017 through 2018 which is about a 50 percent increase. For the same time, qualified applicants not admitted increased from 8,957 to 12,916 which is about a 42.2% increase. These are all wait-listed students that are all eligible to attend these schools. The Texas Center for Nursing workforce study in 2020 predicts that Texas will have a deficit of 57,012 registered nurses in 2032. That's just in 10 years. We are clearly not

producing enough nurses to keep up with the demand. Universities and teaching institutions are unable to accept additional students due to shortages of faculty, clinical, and lab space. So how is nursing a workforce issue? Given that nursing has been the number one job posting for the last decade and efforts to bolster the number of nurses has been studied since 2001, with an increasing number of nurses leaving the profession or retiring, we now ask how can workforce support the effort to increase the number of RNs to maintain patient care and meet the demands of the health care industry. Can registered apprenticeship help in this shortage? Randy, I would like to ask staff to expedite and bring forth a discussion paper using 10 million dollars [inaudible] statewide funding, apprenticeship expansion and other available funding for the following. On Thursday we heard from our employer hospitals indicating that they lost most of their students at the clinical phase because clinicals are unpaid and these students need paid work. Currently a waiver is in place that allows RN clinicals to be paid. We would like to pursue funding these clinicals through stipends or as paid OJT. I would like staff to be creative and think outside the box on this one, and this means expedite money to support this initiative. I would like to sponsor convening workshops between subject matter health care providers, higher education partners, and workforce to look at ways to support registered apprenticeship for CNAs, LVNs, ADNs, RNs, and RNs to

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BSN. Incorporate the use of certifications as stackable and portable credentialing and map career pathways for health care students with credentials that are relevant to industry as the benchmarks. Some programs already exist like Baylor Scott & White with their medical assistants. Phlebotomy already exists as an apprenticeship program, and I would like funding for a convening to scale this statewide with crosswalks in place. Also we want the processing to be as flexible as possible. Not using an RFP or an RFA but an expedited application method to get the funding out quickly. Also I would like multiple boards to work together as a consortium so as an employer hospital does not have to work with multiple board areas with multiple funding streams which makes things more bureaucratic for industry. On Thursday we heard from multiple employers that there are needs. These models should be flexible and most importantly stackable statewide with hopes of becoming a national model. As you know, Texas always likes to do things first. Thursday as I mentioned multiple times, we convened a meeting that was one out of many that we've had, and I have-everything that I stated is in the workbooks that we provided to all of our participants, and I'm going to hand those to the commissioners following my remarks. In there you'll see the rider that was included for the funding. You will see the 60x30 report that we have here, and we may have had some folks that are present here with us at that meeting as well so they may have gotten a copy of this already but

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1	everything that I just referenced or stated is in the report,
2	and those that attended the meeting are also found in the
3	report. I have no further questions except for Randy to have
4	staff work on this discussion paper [inaudible].
5	CHAIRMAN DANIEL: All right. Any other order
6	of business to come before the commission?
7	COMMISSIONER DEMERSON: Just a comment. I
8	had an opportunity to visit with those employers that were here
9	on Thursday. Commissioner Alvarez, thank you for having me down
10	to Doctors Hospital and the others. I had the opportunity to see
11	many of them, and continue to appreciate the great work they're
12	doing to put our Texans to work.
13	CHAIRMAN DANIEL: Is there a motion to
14	adjourn?
15	COMMISSIONER ALVAREZ: Chairman, I move that
16	we adjourn.
17	COMMISSIONER DEMERSON: Second.
18	CHAIRMAN DANIEL: Moved and seconded to
19	adjourn. We're adjourned.
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Texas Workforce Commission Meeting February 1, 2022

Item 10:

Child Care Development Block Grant (CCDBG) COVID-19 Federal Funding Fifth Tranche of New Initiatives Discussion Paper

Written Comments

Good Morning,

I cannot attend the virtual TWC meeting tomorrow at 1:00pm due to being short-staffed at my child care center. However, I would like to at least take the opportunity to speak to a very important matter that all child care centers in Abilene, TX are facing... the before mentioned **STAFFING SHORTAGES.** Please forward my email to anyone who might benefit from hearing from me.

Our child care centers are debilitated by our staffing shortages! We do not even have people applying for our job openings. I have a caregiver resigning end of February. She has given me 2 months notice. That is normally a wonderfully generous time frame for hiring, vetting and training a new employee. I have had no applications in one month, despite significant wage increases.

I have begun preparing the families in that class that my only option may be to shut the class down, causing the parents in that class to be without child care services (they will not find other services right now either). Shutting this classroom down will very likely cause some of these parents to have to permanent or at the very least temporary disruptions to their jobs and to earning a living for their families.

A parent recently commented to me "Pretty soon, those of us who are willing to work will not be able to, because we won't be able to find child care for our kids." It is a very real fear - this parent could be right!

All centers in Abilene are facing the very same difficulties. Some of our centers have reduced their service capacity as much as 30-40% because of the lack of staff. Our town is hurting! Our centers are hurting!

We are all wondering - where have all the people who used to work gone? Is it that they receive enough in government assistance that they can afford not to work?

On another note, I'd like to **THANK TWC** for the extra funding this last year! It has been a real and substantial support to our centers. The funding has made it possible for good wage increases. The wage increases have helped encourage employee retention for those staff people who are committed to the world of early childhood education and care services.

I sincerely thank you and TWC for your time, consideration and support.

Teena Williams
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