



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

SEPTEMBER 13, 2022

1 Tuesday, September 13, 2022

2 CHAIRMAN DANIEL: Good morning, everyone.

3 This meeting is called to order. Mr. Trobman, has anyone signed
4 up for public comment?

5 MR. TROBMAN: No, sir.

6 CHAIRMAN DANIEL: Thank you very much. Good
7 morning, Ms. Miller.

8 MS. MILLER: Good morning, sir.

9 CHAIRMAN DANIEL: Thank you. We'll take a
10 short break.

11 CHAIRMAN DANIEL: This is Agenda Item 8,
12 final rules for 40 TAC Chapter 809, Child Care Services.

13 REAGAN MILLER: Good morning, chairman,
14 commissioners, Mr. Serna. For the record, Reagan Miller with the
15 Child Care and Early Learning Division. Before you today are the
16 final child care rules for adoption. These rule changes address
17 several bills passed by the 87th Texas Legislature including
18 House Bill 2607 which makes Texas Rising Star certification
19 mandatory for our child care services providers, House Bill 1792
20 which requires TWC to select a statewide entity for Texas Rising
21 Star assessors, and Senate Bill 1555 which makes changes to the
22 age reimbursement rates that we use. We began this process on
23 December 21st with your approval of the policy concept followed
24 by your approval of the proposed rules for public comment on
25 April 12th. The proposed rule amendments were published in the

1 Texas Register on April 29th for the 30-day public comment period
2 which ended May 31st. We did receive comments from 19 entities
3 and the preamble notes where we had made changes in response to
4 the comments received which we did in about 10 cases. I'll
5 highlight just a few of those. We did modify that during the up
6 to 24-month entry-level period, providers can be assessed for
7 Texas Rising Star certification at any time where they meet the
8 eligibility screening requirements, not only after the first 12
9 months; amending the rule for Texas Rising Star providers who
10 are placed on suspension status to state that while they're
11 still going to have their six-month mandatory suspension period
12 but we did modify the overall timeframe from a total of 12 to 15
13 months for them to achieve at least a two-star rating, and we
14 did retain the rule that states a provider cannot receive new
15 referrals during the last six months of the suspension. We did
16 add language to the rule to clarify that boards shall be
17 responsible for Texas Rising Star assessor duties until the new
18 centralized assessor entity is procured, and lastly, several
19 rule amendments have a delayed effective date to coincide with
20 the rollout of the agency's new child care case management
21 system. This implementation date was adjusted from October 1st to
22 December 1st of 2023. This modification still ensures that TWC is
23 in alignment with Senate Bill 1555 which requires that TWC
24 implement these new age-range reimbursements no later than
25 December 1st. As part of these rule amendments, we also conducted

1 the required four-year rule review required under the government
2 code, and determined that the initial reasons for adopting the
3 chapter still exist and that this chapter is still needed. Staff
4 are recommending adoption of the final rule and if adopted,
5 requesting the ability to make minor nonsubstantive changes on
6 the document in order to comply with the publication
7 requirements of the Texas Register and the Office of the
8 Secretary of State. This concludes my remarks, and I'm happy to
9 answer any questions.

10 CHAIRMAN DANIEL: Any comments or questions?

11 COMMISSIONER ALVAREZ: None here, chairman.

12 COMMISSIONER DEMERSON: None here.

13 CHAIRMAN DANIEL: Is there a motion?

14 COMMISSIONER ALVAREZ: I move that we
15 approve and adopt the final rule amendments for Chapter 809,
16 Child Care Services.

17 COMMISSIONER DEMERSON: Second.

18 CHAIRMAN DANIEL: It's been moved and
19 seconded. The motion carries. This is Agenda Item 9, final rules
20 for 40 TAC Chapter 839, Tax Refund Pilot Program.

21 KERRY BALLAST: Good morning, Chairman
22 Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr.
23 Serna. For the record, Kerry Ballast, Workforce Development
24 Division. On July 5th the commission approved the proposed rules
25 in TAC new Chapter 839, Apprenticeship Programs Additional. The

1 proposed rules were published in the July 22nd issue of the Texas
2 Register for a 30-day public comment period. No comments were
3 received. Today's final rules are to implement Senate Bill 1524
4 from the 87th Texas Legislature, tax refund pilot program for
5 certain persons who employ apprentices. Staff recommends
6 adoption of the final rules to new 40 TAC Chapter 839. Should
7 the commission adopt these rules, staff requests the ability to
8 make minor nonsubstantive changes to the document in order to
9 comply with the publication requirements of the Texas Register
10 and the Office of the Secretary of State. I'm available if you
11 have any questions.

12 CHAIRMAN DANIEL: Any comments or questions?

13 COMMISSIONER ALVAREZ: None here.

14 COMMISSIONER DEMERSON: None here.

15 CHAIRMAN DANIEL: Is there a motion?

16 COMMISSIONER ALVAREZ: Chairman, I move that
17 we approve and adopt final rules for Chapter 839, Tax Refund
18 Pilot Program for certain persons who employ apprentices.

19 COMMISSIONER DEMERSON: Second.

20 CHAIRMAN DANIEL: It's been moved and
21 seconded. The motion carries. This is Agenda Item 10, final
22 rules for 40 TAC Chapter 839, Veterans Apprenticeship Training
23 Programs.

24 KERRY BALLAST: Good morning again. For the
25 record, Kerry Ballast. On July 5th the commission approved

1 proposed rules for TAC new Chapter 839, Apprenticeship Programs
2 Additional. The proposed rules were published in the Texas
3 Register for a public comment period and no comments were
4 received. Today's final rules for Chapter 839 are to implement
5 Senate Bill 337 of the 87th session, grants to facilitate
6 participation in apprenticeship training programs by certain
7 veterans and military personnel. Staff recommends adoption of
8 the final rules to new 40 TAC Chapter 839. Should the commission
9 adopt these rules, staff requests the ability to make minor
10 nonsubstantive changes to the document in order to comply with
11 the publication requirements of the Texas Register and the
12 Office of the Secretary of State. I'm available to answer any
13 questions.

14 CHAIRMAN DANIEL: Any comments or questions?

15 COMMISSIONER ALVAREZ: Thank you, Kerry, for
16 your work on the last two agenda items. That's it.

17 COMMISSIONER DEMERSON: None here.

18 CHAIRMAN DANIEL: Is there a motion?

19 COMMISSIONER ALVAREZ: Chairman, I move that
20 we approve and adopt final rules for Chapter 839, grants to
21 facilitate participation in registered apprenticeship programs
22 by certain veterans and military personnel.

23 COMMISSIONER DEMERSON: I'll second.

24 CHAIRMAN DANIEL: It's been moved and
25 seconded. The motion carries. This is Agenda Item 11, Purchasing

1 from People with Disabilities Program Central Nonprofit Agency
2 Management Fee.

3 JUAN GARCIA: Good morning, commissioners,
4 Mr. Serna. Juan Garcia with the voc rehab division. This morning
5 for your consideration for approval are the proposed nonprofit
6 agency management fee rates for FY23 along with the method of
7 calculation. Section 806.31 of the Texas Administrative Code
8 requires the commission to approve both the management fee rates
9 and the method of calculation on a yearly basis. The proposed
10 rates and method of calculation are presented in the discussion
11 paper before you. As required, the rates were posted for a 60-
12 day public comment period. One comment was received and no
13 changes are recommended based on this comment. Staff recommends
14 the approval of the management fee rates and the method of
15 calculation as presented in the discussion paper before you.
16 With that, I can answer any questions you might have.

17 CHAIRMAN DANIEL: Comments or questions?

18 COMMISSIONER ALVAREZ: None here.

19 COMMISSIONER DEMERSON: None.

20 CHAIRMAN DANIEL: Is there a motion?

21 COMMISSIONER ALVAREZ: Chairman, I move that
22 we approve the central nonprofit agency's management fee for
23 purchasing from people with disabilities state-use program at
24 six percent on the sales price for products, six percent on
25 contract price for services, and five percent on contract price

1 for temporary services with the calculation method for
2 management fee rates as presented by staff.

3 COMMISSIONER DEMERSON: I second.

4 CHAIRMAN DANIEL: It's been moved and
5 seconded. The motion carries. Agenda Item 12, Recertification of
6 Community Rehabilitation Programs to Participate in The PPD
7 Program.

8 JUAN GARCIA: Again commissioners, Juan
9 Garcia with the voc rehab division. Before you for your
10 consideration are six CRPs or community rehab programs that are
11 applying for recertification to continue participating in the
12 Purchasing from People with Disabilities program. Details of
13 each CRP are listed in the discussion paper before you. Section
14 806.41 of the Texas Administrative Code authorizes the
15 commission to recertify a CRP every three years provided that
16 the requirements outlined in this section are met, Section
17 806.41. The applications of all six CRPs have been reviewed by
18 staff and are deemed acceptable. Staff recommends the
19 recertification of the six CRPs applying for recertification as
20 presented in the discussion paper. With that, I can answer any
21 questions you might have.

22 CHAIRMAN DANIEL: Any comments or questions?

23 COMMISSIONER ALVAREZ: Thank you, Mr.
24 Garcia. None here.

25 COMMISSIONER DEMERSON: None here.

1 CHAIRMAN DANIEL: Is there a motion?

2 COMMISSIONER ALVAREZ: I move that we
3 approve recertification of the community rehabilitation programs
4 to participate in the Purchasing from People with Disabilities
5 program as recommended by staff.

6 COMMISSIONER DEMERSON: I second.

7 CHAIRMAN DANIEL: It's been moved and
8 seconded. The motion carries. This is Agenda Item 13, Rider 48
9 report on the inventory of apprenticeship and internship
10 opportunities for people with disabilities as reported to the
11 legislature and the Rehabilitation Council of Texas.

12 JAMIE HAYWOOD: Good morning, Chairman
13 Daniel, Commissioner Alvarez, Commissioner Demerson. For the
14 record, I'm Jamie Haywood with the Vocational Rehabilitation
15 Division. This inventory is an inventory of apprenticeship and
16 internship opportunities for individuals with disabilities. It
17 is to be submitted to the legislature and the RCT by October 1st
18 of this year as required by Rider 48 in the GAA '22 and '23
19 biennium. The inventory provides an overview of apprenticeship
20 and internship opportunities highlighting those funded by TWC,
21 and many of those opportunities we know are available to all job
22 seekers but this inventory also includes those available to
23 individuals with disabilities. The inventory also describes
24 opportunities that are funded specifically by TWCVR and are
25 available to individuals with disabilities as requested in the

1 inventory, and it also describes how TWC promotes both
2 apprenticeship and internship opportunities including funding
3 for expansion, statewide conferences and events, and other
4 outreach and awareness campaigns. Then finally the inventory
5 includes an appendix that lists apprenticeship and internship
6 programs specifically available to cohorts of individuals with
7 disabilities served in our VR program. Many of these
8 opportunities are focused on preparing students with
9 disabilities in high school for that successful transition to
10 those postsecondary opportunities and employment. Following
11 approval, TWC design services will complete the final layout and
12 design of the inventory, and staff requests commission approval
13 of this report along with the approval to make any necessary
14 technical edits based on the final layout of the report. With
15 that, I'll be glad to answer any questions that you may have.

16 CHAIRMAN DANIEL: Any comments or questions?

17 COMMISSIONER ALVAREZ: Ms. Hayward, thank
18 you for the presentation. As you know, I'm very excited about
19 what you all are doing with Explore Apprenticeships 2.0, and I
20 want to thank Cheryl, Jason Vaden who is no longer in that
21 department but for him to take this task on. This was a great
22 opportunity for those individuals, people with a disability to
23 explore what it's like or experience what it's like to be
24 somewhat of an apprentice. I had the opportunity to tour with
25 some of the students that participated at the Port of Houston.

1 The week before that they were at NASA so I just want to commend
2 you all for this program, and I look forward to reading the
3 report.

4 COMMISSIONER DEMERSON: Is this Jamie's
5 first time here?

6 JAMIE HAYWARD: It is.

7 COMMISSIONER DEMERSON: It's Jamie's first
8 time. Is Cheryl here today?

9 JAMIE HAYWARD: She is.

10 COMMISSIONER DEMERSON: Nah, I'm kidding. I
11 saw here in the back there.

12 JAMIE HAYWARD: My backup.

13 COMMISSIONER DEMERSON: Just in case. I too
14 with Commissioner Alvarez want to commend this report. I was
15 excited about reading the report. The work that we're doing in
16 the internship space is very important and I'm looking at other
17 ways that we would even add on to this. Commissioner Alvarez and
18 chairman, I know there's going to be a session in the Valley and
19 it's Rally in the Valley where we're having an internship
20 initiative and an apprenticeship conference following on the
21 days afterwards. I can see us tying in folks with disability in
22 this space in a big, big way. We have a couple of board members,
23 governor appointees actually, that are heavy, Evelyn Cano and
24 others, that are heavy in the disability space in the Valley,
25 and so we need to make sure that we're connecting the dots in

1 the best way to bring about attention to these efforts. I'm
2 excited about the employers that are listed here as well. Those
3 are employers that are making a difference in the space, and in
4 this particular case we're doing it with the folks with
5 disabilities, and so I look forward to working with you guys
6 even more so with our Texas Interns Unite! initiative, our Texas
7 internship challenge initiative that we have here at the agency
8 and bringing attention to what these employers are doing for
9 these employees here in our state with folks with disabilities
10 so thank you for the report and the work that's being done.

11 JAMIE HAYWOOD: Thank you.

12 CHAIRMAN DANIEL: Well, I mean, normally
13 when someone presents to the commission for the first time, I
14 like to reward that with lots of in-depth questions, that are
15 often confusing and-

16 JAMIE HAYWARD: I heard.

17 CHAIRMAN DANIEL: take us down so many
18 different rabbit trails but this is so well done I can't even do
19 that today so I'm going to save it for next time. Is there a
20 motion?

21 COMMISSIONER ALVAREZ: I'd also like to add,
22 Ms. Hayward, that if I'm not mistaken this was approved by the
23 past administration for allowing us to use Pre-ETS funding so
24 we're the only state in the country if I'm not mistaken for

25

1 being able to do this so congratulations again to you and your
2 team. No further comments.

3 CHAIRMAN DANIEL: Is there a motion?

4 COMMISSIONER ALVAREZ: Chairman, I move that
5 we approve the report of inventory of apprenticeship and
6 internship opportunities for individuals with disabilities for
7 submission to the Rehabilitation Council of Texas and the Texas
8 Legislature.

9 COMMISSIONER DEMERSON: Before I second, I
10 want to give the chairman any other opportunity before Jamie
11 leaves.

12 CHAIRMAN DANIEL: I'm sorry. I deferred that
13 to the next time.

14 COMMISSIONER DEMERSON: Next time, I'll go
15 ahead and second the motion then.

16 CHAIRMAN DANIEL: All right, it's been moved
17 and seconded, the motion carries. This is Agenda Item 14,
18 Establishment of a Blind Premium Payment for Vocational
19 Rehabilitation Employment Service Providers.

20 CHERYL FULLER: Good morning, Chairman
21 Daniel, Commissioner Alvarez, Commissioner Demerson, Mr. Serna.
22 For the record, Cheryl Fuller, Vocational Rehabilitation
23 Division. Commissioners, before you today for consideration is a
24 proposal to establish a premium payment for VR employment
25 service providers who deliver services to participants who are

1 blind or visually impaired. A disability-related premium payment
2 is an additional payment on top of the standard rate for
3 employment services paid to providers who have obtained and
4 maintained a specialized skillset and credential that prepares
5 them to deliver services to customers with a specific primary
6 disability. We currently have these premium payments for
7 qualified providers who serve customers who are deaf, those who
8 have autism, and customers with brain injury. We are proposing
9 the blind premium payment because blindness is a low-instance
10 disability that requires customized and specialized knowledge
11 and skills to ensure that services for customers with visual
12 impairments are accessible and effective. Many providers lack
13 this specialized knowledge and are therefore hesitant to serve
14 VR customers who are blind sometimes resulting in a delay in
15 services to our customers because a qualified provider is not
16 available. To qualify to receive this premium payment, staff
17 proposes that interested providers must first complete online
18 and in-person training and pass a certification assessment from
19 the University of North Texas, the entity that administers the
20 provider training, credentialing, and endorsement program for
21 TWCVR. Providers who pass the certification assessment would
22 obtain a credential that would qualify them for the premium
23 payment when they complete employment services to a VR customer
24 who is visually impaired. Staff recommends that the commission
25 establish training requirements and an associated UNT credential

1 for providers interested in obtaining the knowledge and skills
2 necessary to deliver employment services to VR customers who are
3 blind or visually impaired. Staff further recommends that the
4 commission establish a blind premium payment of \$12 per hour for
5 individual services, and a group rate of \$6 per hour. That
6 concludes my presentation and I'm available to answer any
7 questions you may have.

8 CHAIRMAN DANIEL: Any comments or questions?

9 COMMISSIONER ALVAREZ: Thank you for all you
10 do, Cheryl, and your team.

11 COMMISSIONER DEMERSON: None here. Thank
12 you.

13 CHAIRMAN DANIEL: Is there a motion?

14 COMMISSIONER ALVAREZ: Chairman, I move that
15 we establish a University of North Texas workplace inclusion and
16 sustainable employment credential to serve blind and visually
17 impaired VR customers and a blind premium payment of \$12 per
18 hour for individual service and a group rate of \$6 per hour as
19 recommended by staff and described in the discussion paper.

20 COMMISSIONER DEMERSON: Before I second
21 this, Cheryl, this is autism first, hearing impaired second, and
22 now we're going to those who are blind.

23 CHERYL FULLER: We have autism, individuals
24 who are deaf or hard of hearing, and individuals who have brain
25 injury, and this will be the fourth.

1 COMMISSIONER DEMERSON: I second the motion.

2 CHAIRMAN DANIEL: It's been moved and
3 seconded. The motion carries. This is Agenda Item 15, Special
4 Administration Fund in Connection with Lost Wages Assistance
5 Program.

6 CHRIS NELSON: Good morning, chairman,
7 commissioners, Mr. Serna. For the record, Chris Nelson, chief
8 financial officer. TWC is scheduled to close out its grant with
9 FEMA on the lost wages assistance program at the end of this
10 month. For six benefit weeks during the COVID pandemic, August
11 1, 2020, through September 5, 2020, FEMA authorized an
12 additional \$300 for every payable claim while the Federal
13 Pandemic Unemployment Compensation program or FPUC was not
14 authorized. TWC has paid out 2.95 billion in LWA payments, and
15 of that has determined \$4,184,400 are overpayments that should
16 be returned to FEMA. During the closeout process with FEMA, they
17 have notified TWC that all overpayments need to be remitted to
18 FEMA whether TWC has collected the overpayment from the claimant
19 or not. With other federal unemployment insurance programs, TWC
20 remits the overpayments to DOL as they collect the overpayments.
21 Since TWC has no other source of funds to remit to FEMA at
22 closeout, staff are asking the commission to consider the use of
23 Labor Code 203.202 authorizing the special administration fund
24 to pay back the LWA overpayments to FEMA. TWC has issued letters
25 to claimants identifying these LWA overpayments and requesting

1 that the overpayment amounts be remitted to TWC. TWC has already
2 started receiving some LWA overpayment checks. If approved, any
3 LWA overpayments collected from the claimants will be deposited
4 back into the special administration fund. That concludes my
5 comments and I'd be happy to answer any questions.

6 CHAIRMAN DANIEL: Any comments or questions?

7 COMMISSIONER ALVAREZ: None here, chairman.

8 COMMISSIONER DEMERSON: None.

9 CHAIRMAN DANIEL: About how many LWA
10 payments total did we make?

11 CHRIS NELSON: It was 2.95 billion total,
12 just short of three billion.

13 CHAIRMAN DANIEL: And then at this point in
14 time we have about four million dollars in unrecovered
15 overpayments.

16 CHRIS NELSON: That's correct.

17 CHAIRMAN DANIEL: What was the typical
18 nature of those overpayments. Did we break that out?

19 CHRIS NELSON: We can. The vast majority of
20 it is unreported earnings. Claimants filed and didn't report
21 their earnings correctly, and it went through a review process
22 and it was determined that they are in overpayment status.

23 CHAIRMAN DANIEL: And so we will square our
24 account with FEMA and then continue our collection procedures on
25 the remaining four-plus million dollars.

1 CHRIS NELSON: Correct. Now after—we have
2 some LWA admin funds available to closeout at the end of this
3 month. If we wanted to continue collection activities after
4 that, we would probably have to request additional Fund 165
5 using the same statute to authorize any additional collection
6 activities.

7 CHAIRMAN DANIEL: All right, thank you. Is
8 there a motion?

9 COMMISSIONER ALVAREZ: Yes, chairman. I move
10 that we authorize the use of \$4,184,400 from the special
11 administration fund to return to the lost wage assistance
12 overpayments to FEMA until the funds can be recovered.

13 COMMISSIONER DEMERSON: I second.

14 CHAIRMAN DANIEL: It's been moved and
15 seconded. The motion passes. This is Agenda Item 16, Local
16 Workforce Development Board Child Care Targets for Board
17 Contract Year 2023.

18 REAGAN MILLER: Good morning again,
19 commissioners. Reagan Miller with the Child Care and Early
20 Learning Division. This morning Adam and I are presenting to you
21 the board contract year '23 child care performance targets. The
22 development of these targets is a joint effort between the Child
23 Care and Early Learning Division and the Information,
24 Innovation, and Insight Division. In developing these proposed
25 targets, there were several program changes that needed to be

1 considered. First, these targets reflect staff's recommendation
2 to modify the base rates to the 75th percentile, and along with
3 that ensuring that the Texas Rising Star enhanced reimbursement
4 rates comply with the state statutory requirements that they be
5 at least five, seven, and nine percent higher than the base
6 rate, and our calculations were based on the most recent market
7 rate survey. In this year's survey we primarily saw increases in
8 preschool and school-age care, and in no case are we
9 recommending a decrease in the max rate below last year's level.
10 I do want to note as a reminder that we do not pay more than a
11 provider's published rate which is the amount that they charge
12 private-pay parents so even if the market rate went up, if the
13 provider charges private-pay parents less, we will only pay that
14 published rate. The biggest change of course is House Bill 2607
15 and mandatory Texas Rising Star. As more providers increase
16 their quality, they become eligible for that higher
17 reimbursement rate, and as a result our average cost of care
18 goes up which means we can serve fewer kids. So we ensured that
19 these targets reflect our estimate of how much program growth we
20 expect to see over the next few years. We're also proposing a
21 midyear review of these targets which we generally don't
22 formally do but these targets are based on some assumptions.
23 They are our best guesses of how program growth in particular
24 will look but if our assumptions are off and if the targets
25 really aren't reflecting the reality of what's happening, they

1 may need to be adjusted. In that case of course we would bring
2 back a midyear target adjustment for your consideration. So
3 that's kind of the high-level program impacts, and I'll turn it
4 over to Adam.

5 ADAM LEONARD: Good morning. We briefed your
6 offices over the last few weeks into the specifics of the child
7 care model. Even though we had to make a lot of adjustments in
8 the model in terms of implementing the changes that Reagan just
9 talked about, the basic idea is still the same which is that
10 there is a fixed amount of money that's available to be used for
11 admin ops, for direct care, and for quality purposes. We
12 accounted for all of that in the model in terms of case mix
13 changes, etc., and I'm happy to answer any questions you may
14 have. It's about 140,000 kids per day for the next year, and of
15 course this is consistent with the LAR where we built a model
16 that would work for about that level of care for the next three
17 years.

18 CHAIRMAN DANIEL: Any comments or questions?

19 COMMISSIONER ALVAREZ: None here, chairman.

20 COMMISSIONER DEMERSON: I just continue to
21 applaud the work that Reagan and the team are doing in the child
22 care space. I continue to go out and that issue continues to be
23 one of a lot of concern. I like the fact that you're going to
24 look at this six months down the line because of the assumptions
25 and what we're doing here so going in there, taking a look, and

1 adjusting is a good thing to do so appreciate the work that's
2 being done.

3 CHAIRMAN DANIEL: Is there a motion?

4 COMMISSIONER ALVAREZ: Chairman, I move that
5 we approve the child care target setting methodology and
6 assumptions to set the BCY23 child care targets for local
7 Workforce Development Boards as presented by staff.

8 COMMISSIONER DEMERSON: Second.

9 CHAIRMAN DANIEL: It's been moved and
10 seconded. The motion carries. This is Agenda Item 17, Statewide
11 Initiatives. We'll start with a discussion paper on high-demand
12 job training and Texas industry partnership program.

13 KRISTIE CAVINESS: Good morning, Chairman
14 Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr.
15 Serna. For the record, I'm Kristie Caviness with the Outreach
16 and Employer Initiatives Division. Commissioners, on July 5,
17 2022, Chairman Daniel requested staff to fully investigate the
18 program performance of the high-demand job training and the
19 Texas Industry Partnership programs, and the feasibility of
20 combining these two programs into one line item including
21 establishing a supportable funding level. Staff reviewed both
22 programs and considered prior feedback received from our
23 community partners and local Workforce Development Board
24 applicants. Before you today for your consideration is a
25 discussion paper related to those findings. By way of

1 background, the high-demand job training and Texas Industry
2 Partnership programs were established to assist communities in
3 supporting the needs of Texas employers by leveraging available
4 state and local resources to promote training for high-demand
5 occupations. Local Workforce Development Boards apply for the
6 programs in coordination with economic development corporations,
7 private corporations or foundations to provide a one-to-one
8 match of state Workforce Innovation and Opportunity Act funds.
9 Staff has investigated the implications of combining the
10 programs and have determined that alignment of the programs
11 could help increase participation. This would involve aligning
12 the programs' parameters and allowable uses making them as
13 similar as possible with the exception of who is partnering
14 financially. This could provide uniformity in the use of the
15 funds and allow for more collaboration within the programs.
16 Additionally, the commission could expand the entities eligible
17 to provide a match under the TIP program. Staff has also
18 determined it would be feasible to combine both programs into
19 one budget item that could be shared by both programs. Based on
20 anticipated increases in utilization, staff suggests allocating
21 two million dollars in WIOA funds to the combined budget. With
22 commission approval, we would implement the outlined updates to
23 both high-demand job training and Texas Industry Partnerships as
24 described in the discussion paper for FY2023. Happy to answer
25 any questions.

1 CHAIRMAN DANIEL: Any comments or questions?

2 COMMISSIONER ALVAREZ: I have a question. If
3 approved, what is going to be the new name or are we going to
4 work on that since we're consolidating two programs?

5 KRISTIE CAVINESS: We have not talked about
6 a new name. We wanted to keep the spirit of the programs the
7 same so I would just assume we talk about them—it would have one
8 application and then you would check the box whether it was high
9 demand or TIP, keep the names.

10 CHAIRMAN DANIEL: That's a really good
11 question. So for clarity, there won't be new names, right? The
12 programs will continue to operate under their current name.
13 They'll share a pool of funds and we'll align sort of the rules
14 of the program—rules is the wrong word. Our standard operating
15 procedure on the programs, they'll be much more aligned where
16 communities or applicants could use one or both, and we would
17 maximize the money in both programs. Is that—am I understanding
18 correctly?

19 KRISTIE CAVINESS: That is exactly what it
20 is.

21 CHAIRMAN DANIEL: That's actually an
22 excellent question but I don't think we're changing anything,
23 right? OK, got it.

24 COMMISSIONER ALVAREZ: But I like the
25 concept because it allows an entity or a municipality who didn't

1 qualify for 4A or 4B can now be qualified for this if I'm not
2 mistaken.

3 CHAIRMAN DANIEL: Commissioner, if I could,
4 that unlocks dollars in communities that have already been
5 collected from the taxpayers that sometimes we have a
6 challenging time unlocking. The balance of 4A and 4B funds in
7 communities, particularly rural communities and communities in
8 exurban areas, just in terms of using those for incentives or
9 other things that the statute provides them to do, sometimes
10 proves challenging and there's not a lot of continuity to this.
11 Using this to unlock this for capacity building, training, some
12 other things that we can do really lets communities access a
13 pool of money that they have available to them. They have to
14 find certain ways to use that. Any other comments or questions?

15 COMMISSIONER DEMERSON: None here.

16 CHAIRMAN DANIEL: Is there a motion?

17 COMMISSIONER ALVAREZ: Chairman, you want to
18 make the motion?

19 CHAIRMAN DANIEL: I'm happy to. I move
20 adoption of the recommendations laid out by staff in the
21 discussion paper presented here today.

22 COMMISSIONER ALVAREZ: I'll second that.

23 KRISTIE CAVINESS: Thanks.

24 COMMISSIONER DEMERSON: Not done, Kristie.

25 He's already-

1 CHAIRMAN DANIEL: No, you have to let me-
2 this happens every time, Kristie.

3 KRISTIE CAVINESS: I know, I know, I'm
4 sorry.

5 CHAIRMAN DANIEL: You have to let me say
6 it's been moved and seconded and the motion carries. Thank you
7 so much for doing that.

8 KRISTIE CAVINESS: Thank you.

9 COMMISSIONER DEMERSON: Moved and seconded,
10 all those in favor, we're all in favor of the motion.

11 CHAIRMAN DANIEL: I think so. The next one
12 will be the Texas Industry-Recognized Apprenticeship Grant
13 program.

14 COMMISSIONER DEMERSON: Mr. Chairman, I'll
15 bring that one to the commission's attention. So I have three
16 WIOA statewide commission reserve funding proposals that I've
17 handed out I think about a month ago or so, and so I think you
18 guys have had an opportunity to review these but during the 86th
19 Regular Texas Legislative Session back in 2019, House Bill 2784
20 by the now Speaker of the House, Dade Pheland, who was a state
21 representative at that time, created the Texas Industry-
22 Recognized Apprenticeship Grant program. This grant program is
23 intended to support certain apprenticeship programs that provide
24 on-the-job training, preparatory instruction, supplementary
25 instruction or related instruction to an occupation that has

1 been recognized as an apprentice-able occupation by DOL.
2 Industry-recognized apprenticeship programs or IRAPs are
3 designed by third-party certifiers known as standard recognition
4 entities or SREs, and TWC was actually named an SRE back in
5 September 2020, and so we've already had a statute that's been
6 passed. We've had the rulemaking approved by this commission
7 body as well, and delighted to see that we also have an
8 exceptional item that TWC will be pushing forward in the same
9 vein so this initiative today that we're pushing forward is
10 asking for 500,000 for two years, about a million dollars
11 totally from the WIOA statewide commission reserve. We also have
12 a lot of industry support for this initiative, industry support.
13 We have Mike [inaudible] who is visiting with us today and,
14 Mike, we appreciate your continued support of the efforts that
15 we do from a workforce standpoint, economic development
16 standpoint [inaudible] so we continue to appreciate that. Also,
17 those that were in favor of the bill were a number of industry
18 organizations and associations that are out there, too many to
19 name but a lot of partners that continue to play a major role in
20 our work so that's the initiative that we're pushing forward. If
21 we are granted additional funding after the session through our
22 exceptional item, then this is a program that will be able to go
23 forward even more so from that standpoint but this will allow us
24 to stand something up, really look at the pros and cons, and
25 ways to operate it and the like and therefore I'm bringing this

1 Texas Industry-Recognized Apprenticeship Grant program or
2 initiative forward to work in collaboration with House Bill 2784
3 that's already been passed. Any questions you guys might have?

4 COMMISSIONER ALVAREZ: Commissioner, I'd
5 just like to thank you for this proposal that you've advanced.
6 This certainly is a way to advance apprenticeship in Texas and
7 thus improve the skills and wages of Texas workers. We were
8 honored to be there at the signing at S&B Infrastructure a
9 couple years back of 2784 so congratulations. That's all I have.

10 CHAIRMAN DANIEL: I have a comment and then
11 a question. Let me do it here in very short order. My question
12 is will the—are there any potentials for interference between
13 the rules that are required of WIOA funds, anything that we
14 might be doing relative to the IRAP program or should we be able
15 to implement it as written as it was passed in 2019? Well, I
16 guess in our rules we passed it in, what, 2019, early 2020.

17 COMMISSIONER DEMERSON: I don't see any
18 implications at all. I've not been informed of any implications
19 by staff on this initiative. I think we've pushed it forward as
20 an exceptional item as well and so things would happen after
21 that point if approved but currently, I don't see anything. I
22 think it's been passed in statute. We've voted on the rulemaking
23 part of it, and this is a funding mechanism to put in place what
24 we've already approved.

25

1 CHAIRMAN DANIEL: Let's place on the record
2 that Courtney Arbour of the Texas Workforce Division went like
3 this.

4 COMMISSIONER DEMERSON: All right, she went—
5 Courtney would know.

6 CHAIRMAN DANIEL: So I think that means—

7 COMMISSIONER DEMERSON: We're OK.

8 CHAIRMAN DANIEL: Everything you just said
9 is a hundred percent true and she agrees with you. My comment is
10 this. Much like Commissioner Alvarez said, this gives us another
11 tool that we can use to help get people into the workforce. We
12 are seeing workforce shortages among many skilled trade
13 positions, and it's trades you would think of like plumbing or
14 electricity, some health care professions but I think just
15 across the manufacturing sector I think you'll see a number of
16 skilled trades positions that we're having a difficult time with
17 our pipeline. It's two reasons. One is organic growth of the
18 workforce in Texas so that's a good problem to have. We're
19 trying to keep up with the success of the employers that are
20 operating in the state. The second reason I think we're having
21 this issue is just having enough training opportunities for
22 people to upskill and reskill so that they can jump in and do
23 this. We're seeing more advanced manufacturing added every day
24 to the state's economy, and I can't say enough about all of our
25 employers in the state in the skilled trades positions whether

1 those are high skills, middle skills or even entry-level
2 positions where they're trying to get people trained and in
3 here. The commitment of employers to either this industry-
4 recognized apprenticeship program or certainly the registered
5 apprenticeship programs that have been championed for a long
6 time here, I'm just excited to have the potential to have
7 another tool in the toolbox. I am equally enthusiastic about
8 working with the legislature through their process in terms of
9 perhaps making or finding some passage for our exceptional item
10 on this same exact topic for this same exact program, and I do
11 envision if staff can stand this up fast enough that it would
12 likely give us some talking points to the legislature when we
13 arrive at that point in January. So I see a lot of synergy here.
14 I see a lot of opportunities for us to do this. This is not a
15 pilot test. This is an implementation but I think it will act a
16 little bit like a pilot test given the small amount of money and
17 the—it will give us an idea of what to tell the legislature
18 about our exceptional item request. Is there a motion?

19 COMMISSIONER ALVAREZ: I have one more
20 comment, and I would like to add what the chairman said
21 regarding a great tool. I think when we heard this back when the
22 signing, we thought this was a great tool, an additional tool
23 that employers would have so we've been very fortunate. All
24 three of us continue to promote the apprenticeship program
25 throughout the state of Texas which is a great program. My only

1 concern here is as we continue to grow, we were at the Camp Fire
2 First Fort Worth with Reagan and her team and Courtney was there
3 as well where we're expanding child care developers or these
4 programs where we're now producing educators. That's pretty
5 impressive for the Texas Workforce Commission to do. We're
6 leading the country in where we're at if I'm not mistaken. We
7 submitted some standards to the Department of Labor hopefully to
8 get approval so that this health care nurse that we've been
9 working on for some time now will be approved by the Department
10 of Labor. We've had many discussions with them and we're hoping
11 that this will soon come into fruition. Keep in mind that we
12 have more nonunion apprentices than we have union so we continue
13 to grow in areas that didn't exist. For us to be able to talk
14 about child care or for us to even brag about the ability to
15 produce brewmasters in South Texas, it's amazing what Texas is
16 doing, and I have to compliment all the way from Courtney to—and
17 of course we have folks here that are representing—and of course
18 everyone that's been here making presentations but I have to say
19 that Desi Holmes and her team have done amazing, amazing work on
20 the expansion of apprenticeship. We're the only state that has
21 received the expansion grant every round, and so my hat's off to
22 her. We're probably the only state that has a conference that
23 takes place yearly, and so I have to commend her and her team.
24 The only request that I have here is that this funding that
25 you're designating, because it's something new to the agency,

1 that we allow some of that funding to create a new FTE
2 designated specifically for that program.

3 CHAIRMAN DANIEL: Is there a motion?

4 COMMISSIONER ALVAREZ: Are you OK with that?

5 COMMISSIONER DEMERSON: To create a-

6 COMMISSIONER ALVAREZ: Create an FTE that
7 would oversee that program because Jesse's team is thinning out.
8 We just have so much work for that team.

9 CHAIRMAN DANIEL: Let me just as a point of
10 clarification, so we can't create an FTE. We would have to ask
11 Mr. Serna to shift one from where it is now to somewhere else or
12 perhaps there's a vacancy. Mr. Serna?

13 MR. SERNA: Based on commission feedback,
14 we'll look to make sure that our apprenticeship team has the
15 right staffing level which includes if necessary, the addition
16 of an FTE that's funded so that these funds are not affected.
17 The sense that I get is that the half million dollars, you want
18 it dedicated into the program and not start pulling out
19 administrative pieces even if it's 60, 70, 80 thousand so I
20 guess the commitment that I will make is that we'll preserve the
21 funds if they are approved by the commission, the one million
22 for the biennium for the two years, and find an FTE and the
23 appropriate funding if necessary after we've done sort of an
24 impact analysis of what the additional work will actually be
25 because I agree with Commissioner Alvarez that that team is

1 doing a whole lot right now. They may be able to absorb a little
2 bit more but they may not, and I'd like the opportunity to look
3 at that but we can do that outside of this particular agenda
4 item.

5 COMMISSIONER DEMERSON: Yeah, I think the
6 amount is so small right now at a million as compared to what
7 our exceptional item will be, if we have the exceptional item
8 then I can definitely see where that would be of interest even
9 more so at that particular point as well so Commissioner
10 Alvarez, I agree with you that the need is there and I'm looking
11 forward to our executive director working to make something like
12 that happen.

13 CHAIRMAN DANIEL: I think the issue is we
14 don't want to take people off of apprenticeship things that
15 they're already working on to work on this new thing, and we
16 just want to make sure that it's adequately staffed.

17 MR. SERNA: We understand. I understand.

18 COMMISSIONER ALVAREZ: We also want to make
19 sure it's successful, and so especially if we're asking that to
20 be an exceptional item, I just want to be on the record that
21 we're going to be looking, strongly looking at creating or
22 shifting or whatever the way you want to word it, that we get
23 some assistance for that office.

24 MR. SERNA: I understand that completely. As
25 a matter of fact—

1 COMMISSIONER ALVAREZ: If it means we have
2 to add more money, we can do that.

3 MR. SERNA: As a matter of fact, if I
4 recall, the exceptional item has an FTE or two associated with
5 it already.

6 COMMISSIONER ALVAREZ: That's all I have,
7 chairman.

8 CHAIRMAN DANIEL: Is there a motion?

9 COMMISSIONER ALVAREZ: Chairman, I move that
10 we approve the Texas Industry-Recognized Apprenticeship Grant
11 program in the amount of 500,000 for each of the two years from
12 WIOA statewide commission reserve, and instruct the ED to set
13 aside funds to create and explore a new FTE designated to
14 administer this and other apprenticeship programs as otherwise
15 described in this discussion paper.

16 COMMISSIONER DEMERSON: Second.

17 CHAIRMAN DANIEL: It's been moved and
18 seconded. The motion carries. This brings us to the Texas
19 employer webinars, virtual employer best practices training,
20 recruitment and retention of veterans, foster youth, and
21 disabled workforce.

22 COMMISSIONER DEMERSON: What a title!

23 CHAIRMAN DANIEL: It's a substantial title.

24 COMMISSIONER DEMERSON: This is an
25 initiative that in the past few years, of course there have been

1 challenge to employers in industry sectors on recruiting and
2 retaining talent so the proposal that I'm putting forward here
3 are webinars to assist employers in enhancing their strategies
4 for recruiting and retaining talent from certain populations so
5 we want to look at how people with disabilities, foster youth,
6 and veterans. What quite often happens is that we assume that if
7 we had an individual coming in with a disability or we assume
8 that if a person is transitioning out of a foster youth area or
9 even our veterans, that a manager automatically knows how to
10 manage or supervise that individual, and that is just not the
11 case. So we're advocating a training of some sort where we'll be
12 able to do webinars and bring in association employer groups and
13 really work in tandem with whatever is out there to make sure
14 that we are training up or giving opportunities and leaning in
15 for folks in these areas, disabilities, foster youth, and
16 veterans, and not assume that that's already a known factor when
17 individuals are bringing that population out, and we're seeing a
18 lot of even second-chance could go into this area as well. We
19 assume that we know there are certain things, triggers,
20 different things that one needs to know to assist in this area
21 so this is a proposal to bring forward \$30,000, \$60,000 for the
22 biennium to work with local organizations and groups to make
23 that happen.

24 CHAIRMAN DANIEL: Any comments or questions?
25

1 COMMISSIONER ALVAREZ: I don't have any
2 comments.

3 CHAIRMAN DANIEL: Is there a motion?

4 COMMISSIONER ALVAREZ: Commissioner
5 Demerson, would you like to make the motion on this?

6 COMMISSIONER DEMERSON: You make the motion.

7 COMMISSIONER ALVAREZ: Are you sure?

8 COMMISSIONER DEMERSON: I'll second it. I'm
9 just pushing these forward.

10 COMMISSIONER ALVAREZ: I move that we set
11 aside \$30,000 for each year of the next biennium from the WIOA
12 statewide commission reserve to support three vital Texas
13 employer webinars on best practices for recruitment and
14 retention of veterans, transitioning foster youth, and the
15 disabled workforce.

16 COMMISSIONER DEMERSON: Second.

17 CHAIRMAN DANIEL: It's been moved and
18 seconded. The motion carries. This is a proposal for Texas
19 Interns Unite! National Intern Day with a Texas Twist annual
20 conference.

21 COMMISSIONER DEMERSON: Let me thank both
22 these gentlemen for participating in our Texas Interns Unite!
23 National Intern Day that's already out there but here in Texas
24 we do things different and we did this with a Texas twist
25 conference, well attended, good initiative and so the funding

1 that we receive through the Texas Interns Unite! initiatives
2 have come from the Texas Higher Education Coordinating Board,
3 GEER funding, and we appreciate Commissioner Keller's work and
4 his team's work with us in this internship initiative. What
5 we're requesting here is \$30,000, \$60,000 per biennium similar
6 to what we've used this year for some of the initiatives. This
7 would be a number of sessions leading up to this annual
8 conference and so the 30,000 wouldn't be utilized for just one
9 day, one conference so it would be a number of initiatives that
10 are leading up to the annual conference that's going to take
11 place in July similar to some of the things we're doing now, the
12 Rally in the Valley that we're doing with Cheryl in January
13 where we're presenting on the internship opportunities in the
14 disability space. My mind went immediately to us convening
15 something dealing with interns and those that are disabled and
16 the like, and so this allocation of funding would be utilized
17 for initiatives as such but all of that would be leading up to
18 the July National Intern Day but we'll do it with a Texas twist,
19 and that's what's behind this proposal.

20 CHAIRMAN DANIEL: Any comments or questions?

21 COMMISSIONER ALVAREZ: I wish that I had
22 come up with the Rally in the Valley. I wish I had come up with
23 that slogan. That was so cool, man. I love it. That's all I
24 have.

25 CHAIRMAN DANIEL: Is there a motion?

1 COMMISSIONER ALVAREZ: Commissioner, you
2 want me to make it?

3 COMMISSIONER DEMERSON: Yes.

4 COMMISSIONER ALVAREZ: OK, I move we set
5 aside 30,000 for each year of the next biennium from WIOA
6 statewide commission reserve to fund the Texas Interns Unite!
7 National Intern Day with a Texas Twist annual conference to take
8 place in July of 2023.

9 COMMISSIONER DEMERSON: I second.

10 CHAIRMAN DANIEL: It's been moved and
11 seconded. The motion carries. This is a discussion paper
12 concerning Esports as a STEM program.

13 SANDRA WILLIAMS: Good morning, Chair
14 Daniel, commissioners, Mr. Serna. For the record, Sandra
15 Williams, Workforce Development Division. As requested by
16 Commissioner Alvarez on August 9th, staff have considered
17 opportunities to support Esports initiatives for Texas youth.
18 Esports do provide a variety of STEM education including game
19 design, competitive design, user interface design, computer
20 hardware and network design, and synchronous computer
21 operations. In addition, Esports also provides many of the same
22 benefits of traditional sports including teamwork, commitment,
23 leadership, responding to challenges, and self-confidence. Staff
24 have identified three options that would allow TWC to increase
25 opportunities for youth in regards to Esports. The first is to

1 create a competitive grant program to provide summer camps
2 related to Esports. The second is to create a competitive grant
3 program to fund an afterschool program related to Esports. Both
4 of these parameters are laid out in the discussion paper before
5 you. The third is to add language to support existing summer
6 STEM camps with the inclusion of Esports and to encourage those
7 providers to provide those camps. Staff have identified \$500,000
8 in TANF statewide funding that's available to fund a program
9 related to this decision. Staff seeks direction on making
10 Esports camps available to Texas youth with 500,000 in TANF
11 statewide reserve. That's the end of my presentation and I'm
12 happy to answer any questions.

13 CHAIRMAN DANIEL: Comments or questions?

14 COMMISSIONER ALVAREZ: Chairman, I have a
15 comment. Sandra, thank you for the presentation. I'd like to
16 thank staff for putting together this discussion paper. It did a
17 great job presenting the data behind electronic sports and why
18 it is relevant to building pathways to STEM careers and as a
19 gateway to college and universities. My preference would be to
20 undertake the second option provided, award grants to ISDs and
21 community-based organizations through the competitive process
22 for hosting afterschool programs for youth ages 14 to 21 to
23 build Esports skills. My only amendment to the second option is
24 that I would like for charter schools to be able to participate
25 in competitive grant process as well.

1 CHAIRMAN DANIEL: Other comments or
2 questions?

3 COMMISSIONER DEMERSON: I think the
4 initiative brought forward—thank you, Sandra, for bringing it
5 and Commissioner Alvarez, I think you proposed it originally or
6 asked staff to look into this. I've gotten in a lot of
7 conversations with individuals about Esports and the importance
8 of it. I was in Arlington at an [inaudible] meeting that was
9 down there, and I walked in and there was a group of kids
10 around, and I thought they were a soccer team but they were an
11 international team in our state actually associated with Esports
12 environment so they had their own team in the program as it went
13 way above what I could understand from that point. It shows the
14 importance of this area. I think they even have an arena in
15 Arlington, an Esports arena, and in Frisco, Texas, they're doing
16 a lot of work in that space so thanks for bringing this
17 initiative forward. It's going to allow us to do some things in
18 that area. I'm interested in the data behind this so if there's
19 anyone on staff, Commissioner Alvarez, if you have that data on
20 the importance of this industry, would be pretty important
21 because we may be on to something here in Texas.

22 COMMISSIONER ALVAREZ: I'd also like to
23 thank Chris Nelson and his wife for asking me to be a
24 commencement speaker. This is where I first, a couple years ago
25 I had an opportunity to kind of witness this for the first time

1 and speak to some of the instructors that were actually involved
2 in the training and the competitiveness of this and the value of
3 having something like this so I just wanted to take this
4 opportunity to thank the high school for allowing me to be
5 there.

6 CHAIRMAN DANIEL: What's the current balance
7 of the TANF statewide reserve?

8 SANDRA WILLIAMS: I'd have to doublecheck
9 with Chris, however, I believe—

10 CHAIRMAN DANIEL: Will you let him walk up
11 here?

12 SANDRA WILLIAMS: I would.

13 CHRIS NELSON: For the record, Chris Nelson,
14 chief financial officer. The current balance of TANF statewide
15 is 2.3 million. As we approved the budget, it was zero at that
16 time. Since then we've had some contracts close out with
17 balances so that's gone up to 2.3 million currently.

18 CHAIRMAN DANIEL: Let me say this about this
19 particular discussion paper. I still maintain that we could
20 probably do more as an agency with regard to youth programs. I
21 think that we are still too piecemeal in the way we approach
22 youth programs. STEM jobs are lucrative jobs. Those are good
23 courses of study and I think things that we can do in high
24 school and even maybe seventh and eighth grade to put people on
25 a path for a job and a STEM career, I do think is beneficial to

1 the student. You know, I think that TWC's approach has come
2 together over the years and I think we have some overlapping,
3 and I'd love to see us make a serious effort at aligning these
4 programs. I also don't think we spend enough money in this
5 space. I don't really think we invest enough into training
6 programs to advance youth, and not just STEM careers but a lot
7 of different career paths that we know have a need for workers,
8 and that we know there would be job opportunities for them so I
9 think, you know, Commissioner Alvarez champions pre-
10 apprenticeship and I think sometimes we just hear pre-
11 apprenticeship without understanding how we can really link
12 together CTE courses, core academic courses, and put students
13 who might not otherwise be on a path for the postsecondary
14 training that they need on the right path. So I mean admittedly
15 I think we do some good. I just think that there's a lack of
16 alignment among our own programs, and I don't think we probably
17 deploy our money in the most efficient way to do that. I would
18 be opposed to adding to that on those grounds but I do see the
19 merit in the Esports arena. Colleges are adding this as a course
20 of study. There are collegiate teams. I see why youth would be
21 attracted to this. I see why they would participate in this, and
22 I think exposure to those types of opportunities, particularly
23 for youth who might not otherwise have had a chance to see that,
24 I see the benefit in that. Of the three options, it happens the
25 one I would have selected if it had been my decision alone would

1 have been the second one so I think Commissioner Alvarez and I
2 are in agreement on that. I view this as a bit of a pilot
3 project but I will renew my request that we align these programs
4 at a later date because I'd like to see us get all the youth
5 programs on a similar page, make sure we've covered all the
6 subject areas that we need to cover, and probably supplement
7 that with available funds that we might have to do more training
8 in the youth arena because I just don't think we're getting
9 everything done here, and I think this does a thing that's
10 probably—it's certainly a valid thing and I think it could be an
11 important thing. We're still not going far enough. That's not
12 what you were asked to do. That's really a commentary on your
13 work here. It is very thorough. I did want to come back to
14 something Commissioner Alvarez said. He wanted to include
15 charter schools. He's absolutely right about that. I think just
16 for the future, when we talk about ISDs, my assumption is we're
17 talking about charter schools as well. I guess we should
18 probably enumerate that so that everybody understands that but I
19 think that's the page that we're on. Commissioners, certainly
20 however the commission responds to this today is how we move
21 forward on this but I will be bringing back up this topic of
22 aligning youth programs, perhaps supplementing those youth
23 programs with both additional programs and money, and looking at
24 ways to make sure the youth programs are all working in
25 conjunction with each other.

1 COMMISSIONER ALVAREZ: I appreciate that.
2 Thank you very much for your presentation. I have in front of me
3 how much we spend per youth WIOA, what our budget is, and I
4 agree with the chairman. I mean it's not even 10 percent. It's
5 five percent of our budget, if I'm not mistaken for the record,
6 of our budget is used for youth programs and so I just think
7 that I agree that we need to spend a little bit more, and I'm
8 hoping that the Tri-Agency efforts will mimic some of the great
9 things that are coming out of this agency as far as implementing
10 some of these programs. That's the only comments that I have to
11 say but I just wanted for the record to show how much of our
12 budget is being used for youth initiatives from the agency.

13 CHAIRMAN DANIEL: All right, is there a
14 motion?

15 COMMISSIONER ALVAREZ: Chairman, I move that
16 we approve option two with the inclusion of charter schools and
17 allocate 500,000 of TANF funding to support Esports statewide
18 initiative.

19 COMMISSIONER DEMERSON: Second.

20 CHAIRMAN DANIEL: It's been moved and
21 seconded. The motion carries.

22 SANDRA WILLIAMS: Thank you.

23 CHAIRMAN DANIEL: This is the 2023, or a
24 reentry conference for 2023. Let's say it like that.

25

1 KRISTIE CAVINESS: I'm back. Good morning
2 again, Chairman Daniel, Commissioner Alvarez, Commissioner
3 Demerson, and Mr. Serna. For the record, I'm Kristie Caviness
4 with Outreach and Employer Initiatives Division. Commissioners,
5 on August 9, 2022, Commissioner Alvarez requested staff to draft
6 a discussion paper to explore available funding to host a second
7 reentry conference. Staff has reviewed the cost for the '22
8 GRACE conference and from that developed a budget for a second
9 event of 29,500 for roughly 200 people. By way of background,
10 the GRACE conference was held in San Antonio on July 29th. The
11 event was funded by a donation from the IKEA Foundation. 266
12 registered for the one-day event and approximately 145 people
13 attended. The conference's purpose was to offer Texas employers
14 an opportunity to learn how to increase their workforce while
15 helping the formerly incarcerated individuals gain meaningful
16 employment and the chance for a fresh start. TWC promoted the
17 event to businesses around the state interested in developing a
18 new talent pipeline with second-chance individuals. In addition
19 to the various speakers and panel discussions, there were also
20 10 booths featuring partnering organizations and they were
21 available to answer questions about working with this
22 population. A second event could follow a similar format as the
23 first one. However, since a funding source has not yet been
24 identified, a savings could be realized by aligning the event
25 with another TWC event such as an annual conference. It's

1 expected that by doing so, the agency would reduce the cost for
2 the venue and related expenses by at least one third with the
3 total cost estimated between \$15,000 and \$20,000. Staff seeks
4 commission direction on how to proceed regarding future reentry
5 conferences and funding. This concludes my presentation and I'm
6 happy to answer any questions.

7 CHAIRMAN DANIEL: Any comments or questions?

8 COMMISSIONER ALVAREZ: Chairman, I do. I'd
9 like to thank staff for looking into this. I'm in support of
10 hosting another conference. We can apply the IKEA balance to
11 defray costs. I know there's a balance on that. I am not opposed
12 to attaching this conference to another conference although it
13 would be my preference not to have it attached to the annual
14 conference. The week of the annual conference is already busy,
15 especially with conducting docket meeting on the site. I think
16 it would be better served to attach the reentry conference to
17 one of the other conferences, preferably one that already has
18 significant employer involvement. Since the reentry conference
19 is geared towards informing employers of the opportunities
20 available, if it were attached to a conference with heavy
21 employer involvement, both would benefit. I believe the
22 apprenticeship conference or one of the Texas Conference for
23 Employers would be strong candidates. If we use the IKEA
24 remaining balance, we are almost halfway to the amount proposed
25 for the attached conference and would only need an additional

1 \$8,000. So I took into consideration the recommendation that was
2 made by our executive director. I took it seriously into
3 consideration but I think we're already overwhelmed with pre-
4 conference events and with this docket that we're going to be
5 having at the site so my prefer is to have it at a Texas
6 Conference for Employers or another conference like the
7 apprenticeship conference that we host.

8 COMMISSIONER DEMERSON: I tend to agree with
9 you, Commissioner Alvarez. The TCE conferences that we have that
10 are coming out of our office, well attended conference. I think
11 this last one we had about 500 folks in San Marcos, 1,000 that
12 were in The Woodlands, 800 [inaudible] conferences of employers
13 and we wouldn't mind at all. I think it's an opportunity for us
14 to bring even more employers to the table so I'm not opposed to
15 working with the team to look at the TCEs that we have and if
16 there's a fit, there is a fit. If there is not, then you need to
17 tell us that. We're going to do our conferences anyway but if
18 there's an opportunity for us to help in that regard, then we're
19 open to doing that.

20 CHAIRMAN DANIEL: Is there a motion?

21 COMMISSIONER ALVAREZ: Yes, chairman.
22 Kristie, thank you for your work and your involvement at the
23 conference, and your team. Very well appreciated. I move that we
24 fund a second reentry conference utilizing the 7,000 IKEA
25 balance and instruct staff to work with finance to identify the

1 best funding source for the remaining 8,000 that would be needed
2 to host the conference. Staff would also use their best judgment
3 to determine if it is a standalone conference or attach it to
4 another TWC event.

5 COMMISSIONER DEMERSON: Second.

6 CHAIRMAN DANIEL: It's been moved and
7 seconded. The motion carries.

8 MR. SERNA: Sir, just a little
9 clarification. I understand the motion that was made and
10 approved by the commission but part of what staff's
11 recommendation included was whether to charge a registration fee
12 or not, in other words, whether to make it—there's no
13 registration fee but there's also no lunches, there was a lunch
14 last time, or charge a registration fee that would cover the
15 cost of a lunch, and the cost of a standalone conference. We
16 would have to—considering that we'd be pairing with another
17 conference, look through that but the cost would still be
18 between 15 and 20, 29.5, so if we get a little bit of
19 flexibility if you don't mind and coming back to the commission
20 and say, OK, now that we've looked at it and we've identified
21 these conferences to pair it with, not the annual conference,
22 and just as a point of clarification, the docket and policy
23 meeting at the annual conference is only for this year. We don't
24 have any plans for future years but at any rate we'd like to
25 ability to be able to come back and say these are the costs of

1 pairing and then get a decision from the commission concerning
2 whether to charge or not.

3 COMMISSIONER DEMERSON: I want to make sure
4 that the pairing that we're talking about, just want to be on
5 record. You know we have our conferences already planned, and so
6 the pairing would be asking staff to come find out what we're
7 doing and then do something the next day or the evening of but
8 not interrupting our conferences as they exist at all.

9 MR. SERNA: That's part of what we need to
10 do, is sit down and visit, for example, with your office if
11 that's the—those are the conferences that we want to consider
12 pairing to or if it's an apprenticeship conference or some other
13 employer-centric conference that we're hosting, so, yes, sir,
14 that's part of it, not to say we're taking over one of those but
15 rather here's how we would integrate a GRACE conference into
16 that type of event.

17 COMMISSIONER DEMERSON: I'm going to be
18 careful with words, we're not going to place it within the TCEs
19 so we're basically saying that we have a venue that's already
20 existing, we already paid for it. If there's a cost benefit or
21 an opportunity to bring that conference in, then you may do it
22 on the third day. If we have a one-day conference, you may do it
23 the day after or you may do it the evening of but definitely not
24 integrating that GRACE conference. I attended a GRACE conference
25 and it's not a mix in regards to what we do with our TCE

1 conferences but we will have a venue that's there and if there's
2 any cost savings to the agency by utilizing that venue, then
3 take advantage of that. That's what we're offering.

4 MR. SERNA: That's part of what we want to
5 analyze and be able to come back to the commission with.

6 COMMISSIONER DEMERSON: OK, thank you.

7 COMMISSIONER ALVAREZ: I would agree with
8 you, Ed. I'm fine with that.

9 CHAIRMAN DANIEL: Did we announce the vote
10 on this?

11 COMMISSIONER ALVAREZ: Yes.

12 CHAIRMAN DANIEL: I think we passed it. The
13 motion carries. This is Agenda Item 20, Board Nominations.

14 COURTNEY ARBOUR: Good morning. Courtney
15 Arbour, Workforce Development Division. Today for your
16 consideration we have Workforce Board nominations for Alamo,
17 South Texas, Middle Rio Grande, Coastal Bend, and Southeast
18 Texas. Staff recommends approval on the presented nominees as
19 you've been briefed.

20 CHAIRMAN DANIEL: Comments or questions?

21 COMMISSIONER ALVAREZ: None here, chairman.

22 COMMISSIONER DEMERSON: None here.

23 CHAIRMAN DANIEL: Probably a good
24 opportunity to act like this is Courtney's first presentation.

25

1 COMMISSIONER DEMERSON: We haven't seen her
2 in a while.

3 COURTNEY ARBOUR: Ten years, sir, ten years.
4 No questions.

5 CHAIRMAN DANIEL: You're not taking any
6 questions.

7 COMMISSIONER ALVAREZ: Thank you for all
8 your work, and your team, Kerry Ballast, and everybody do some
9 great work so thank you for your support of apprenticeship.

10 CHAIRMAN DANIEL: Any additional comments or
11 complicated questions?

12 COMMISSIONER DEMERSON: Nah, I know Courtney
13 well so leave her alone.

14 CHAIRMAN DANIEL: Is there a motion?

15 COMMISSIONER ALVAREZ: Chairman, I move that
16 we approve the board nominees for Alamo, South Texas, Middle Rio
17 Grande, Coastal Bend, and Southeast Texas.

18 COMMISSIONER DEMERSON: Second.

19 CHAIRMAN DANIEL: It's been moved and
20 seconded. And the motion carries.

21 COURTNEY ARBOUR: Thank you.

22 CHAIRMAN DANIEL: Thank you. We could cue
23 the walkup music for the legislative report.

24 MR. SERNA: We do have one.

25

1 CHAIRMAN DANIEL: That's disappointing. I
2 thought you'd have that cued up.

3 MICHAEL BRITT: Unfortunately there were
4 some issues securing the rights to it for broadcast.

5 CHAIRMAN DANIEL: I understand.

6 MICHAEL BRITT: Good morning, Mr. Chairman,
7 commissioners, Mr. Serna. For the record, Michael Britt,
8 Governmental Relations. We'll be monitoring two congressional
9 hearings this week. Tomorrow at 10 a.m., the U.S. House
10 Education and Labor Committee will be holding a hearing
11 regarding removing barriers to labor organizations, and then on
12 Thursday at 10 a.m., the U.S. House Small Business Subcommittee
13 on Innovation, Entrepreneurship, and Workforce Development will
14 hold a hearing on ways to support youth apprenticeship,
15 entrepreneurship, and workforce development. This concludes my
16 remarks. I'm happy to answer any questions.

17 CHAIRMAN DANIEL: Any questions?

18 COMMISSIONER ALVAREZ: None here.

19 COMMISSIONER DEMERSON: None here.

20 CHAIRMAN DANIEL: Thank you very much.

21 MICHAEL BRITT: Thank you.

22 CHAIRMAN DANIEL: Mr. Serna?

23 MR. SERNA: I have one item. Eric Holen will
24 come up and provide some information concerning changes to the
25 weekly unemployment insurance benefit amounts.

1 ERIC HOLEN: Good morning. For the record,
2 Eric Holen, deputy director for unemployment insurance. I have
3 an update relating to changes in the weekly unemployment
4 insurance benefit amounts that will affect claimants that file
5 new initial claims on or after October 2, 2022. This has no
6 effect on existing claims. In accordance with Texas Labor Code
7 Chapter 207, the minimum and maximum weekly benefit amounts are
8 established based on the Labor Market Information department's
9 analysis of Texas average weekly wage and covered employment for
10 the preceding calendar year. LMI calculated that the average
11 weekly wage in 2021 was \$1,263.12, an increase of \$60.41 or 5.0
12 percent over the preceding year. The minimum weekly unemployment
13 benefit amount is set at 7.6 percent of Texas average weekly
14 wage and covered employment. Furthermore, an increase to the
15 minimum weekly benefit amount may not exceed one dollar in any
16 year. Last year the minimum weekly benefit amount was
17 established at \$71.00. Therefore, this year the minimum will be
18 increased by one dollar to \$72.00. The maximum weekly benefit
19 amount is set at 47.6 percent of Texas average weekly wage and
20 covered employment. Furthermore, an increase to the maximum
21 weekly benefit amount may not exceed \$14 in any year. Last year
22 the maximum weekly benefit amount was established at \$549.
23 Therefore, this year the maximum weekly benefit amount is at
24 563, an increase of \$14. To summarize, effective with claims
25 taken on or after October 2, 2022, the minimum unemployment

1 weekly benefit amount will be \$72, and the maximum will be \$563.
2 Again, this has no effect on existing claims. This concludes my
3 update. I'm available for any questions.

4 CHAIRMAN DANIEL: Any comments or questions?

5 COMMISSIONER ALVAREZ: None here, chairman.

6 COMMISSIONER DEMERSON: None here.

7 CHAIRMAN DANIEL: Mr. Serna, my records
8 indicate that this is Eric's first time to present before the
9 commission, at least in my recollection. He's denying it.

10 ERIC HOLEN: Yes, sir.

11 CHAIRMAN DANIEL: Mr. Serna, what do your
12 records indicate?

13 MR. SERNA: I believe that it's been long
14 enough that this is considered his first time.

15 CHAIRMAN DANIEL: So any--what you're
16 suggesting is any deference of questions he might have has
17 evaporated.

18 MR. SERNA: It has.

19 CHAIRMAN DANIEL: It has, OK. I reserve my
20 right to ask questions next time he makes an appearance here.
21 Any other questions for Eric?

22 COMMISSIONER DEMERSON: The 563, when does
23 that happen again? I missed that.

24 ERIC HOLEN: The new minimum and maximum
25 will begin with claims take on or after October 2, 2022.

1 COMMISSIONER DEMERSON: Got it, thank you.

2 CHAIRMAN DANIEL: Anything else? Thank you.

3 Is there any other order of business to come before the
4 commission?

5 COMMISSIONER ALVAREZ: Chairman, the only
6 thing I'd like to add is conversations that we've had with other
7 folks around the country. People are very interested in what
8 Texas is doing to increase the number of apprentices, and so I
9 want to applaud not only TWC but its staff and the advancements
10 we've made to encourage young individuals that there's another
11 type of higher ed and that is apprenticeship programs. We went
12 from in 2016 to last in the number of apprentices to number one
13 in the country so I applaud again the folks that are involved in
14 apprenticeship, and as stated earlier, sometimes there's
15 confusion as last week when I was in Collin College, when people
16 talk about pre-apprenticeship programs, CTE programs,
17 internships, and apprenticeship programs, and now industry-
18 recognized apprenticeship programs, I think as a commission we
19 need to continue to market the various—the distinction between
20 all three of them or all of them because there is some confusion
21 out there, and I will tell you that it gives me great pride
22 whenever we go somewhere. I know we'll be going out of state
23 again to tell everybody the accomplishments we've made but it's
24 all because of the directors that we have in here, everyone
25 that's from child care to our apprenticeship directors and

1 everyone else so I just wanted to take this opportunity to
2 extend how appreciative we are for the great work that they're
3 doing but we still have work to do when it comes to informing
4 folks about the various types of education opportunities that
5 are out there for them.

6 COMMISSIONER DEMERSON: I was going to add
7 that we're all out there, and you guys are out there but I
8 wanted to bring recognition to Commissioner Alvarez. I saw
9 something that he was in Washington at the White House, and
10 being from Texas and representing Texas is a huge feat so
11 congratulations on that effort as we continue to promote what
12 Texas is doing and serving as an example to other states.

13 CHAIRMAN DANIEL: So I think most people in
14 this room would agree that the future for this state looks very
15 bright but I would like everybody to write down in your day
16 planner that September 7, 2022, the state of Texas got brighter.
17 We had two people in the office that were expecting a baby on or
18 around the first part of September. Both those babies were born
19 within hours of each other on September 7th. Moms are healthy,
20 babies are healthy, one's a boy, one's a girl, so we're looking
21 forward to probably summer interns I would bet by this next
22 summer. Anyway, congratulations to [inaudible]. I know they're
23 very happy about their growing families and we are too. Is there
24 anything else?

25

1
2 chairman.

COMMISSIONER ALVAREZ: Nothing here,

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4 adjourn?

CHAIRMAN DANIEL: Is there a motion to

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6 adjourn.

COMMISSIONER ALVAREZ: I move that we

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COMMISSIONER DEMERSON: Second.

CHAIRMAN DANIEL: It's been moved and
seconded to adjourn and we're adjourned. Thank you.