

MEETING OF THE TEXAS WORKFORCE COMMISSION

DATE

JANUARY 30, 2024

Tuesday, January 30, 2024

MR. TROBMAN: Commissioners, I know that she is logged in so I guess we can proceed. If the technical difficulties get resolved, perhaps we can bring her back up.

CHAIRMAN DANIEL: Thank you. This brings us to the end of Agenda Items 1 through 8. We'll take a short recess.

CHAIRMAN DANIEL: Mr. Trobman.

MR. TROBAN: Yes, commissioners, we do have Ms. Howard, Jennifer Howard. If you can unmute yourself and present.

JENNIFER HOWARD: Hello?

MR. TROBMAN: Yes, good morning, go ahead.

JENNIFER HOWARD: Good morning. I was calling in because I had an appeal that was on January 24th—I mean January 10, 2024, and the end results of that appeal that was presented on January 12th were, it was—I did not understand the ending results and it said it was reversed—reversed the previous ruling. Also [inaudible] determination on appeal. That did not clarify what exactly was determined. Was I no longer going to receive the benefits or am I going to receive the benefits? That's the clarification that just did not—I did not have.

1 MR. TROBMAN: Thank you, Ms. Howard, and 2 we'll have our unemployment insurance department reach out to 3 you directly on that. Commissioners, that's what we got. 4 CHAIRMAN DANIEL: All right, thank you. This 5 is Agenda Item 9, unemployment trust fund balance. 6 CHRIS NELSON: Good morning, [inaudible] 7 that we would project on September 30, 2024. We started on 8 October 1st of this year with a 2.2-billion-dollar balance. Right 9 now, we're projecting to collect 2.2 billion in revenue, and 10 then we're expecting to pay out 2.34 billion in unemployment 11 insurance benefits for the year leaving a projected balance of 12 2.1 billion on September 30, 2024. That would be above the floor 13 and below the ceiling for that time period which would be about 14 2.6 billion for the ceiling and 1.3 billion for the floor. We 15 also project to have unemployment and training investment 16 account assessment balance of 343 million as of September 30th as 17 well. And that concludes my remarks and I'd be happy to answer 18 any questions. 19 CHAIRMAN DANIEL: Any questions, comments? 20 COMMISSIONER TREVIÑO: None here. 21 COMMISSIONER ESPARZA: No questions. 22 CHAIRMAN DANIEL: Thank you. 23 CHRIS NELSON: Thank you. 24 CHAIRMAN DANIEL: This is Agenda Item 10, 25 proposed rules for 40 TAC Chapter 813, SNAP E&T.

1 JOEL MULLINS: Good morning, Chairman, Commissioner Treviño, Commissioner Esparza, and Mr. Serna. For 2 3 the record, I'm Joel Mullins with Workforce Development. 4 Commissioners, before you today for your consideration for 5 approval are proposed rule amendments to Chapter 813 on the SNAP 6 Employment and Training program. These proposed amendments will 7 amend the Chapter 813 rule language to conform with SNAP provisions of the Fiscal Responsibility Act, revise references 8 9 to the case management system, and update the allowable 10 activities for able-bodied adults without dependents. 11 Additionally, staff reviewed Chapter 813 for its statutorily 12 required four-year rule review and addressed the review in the 13 proposed rules preamble. Staff recommends submitting the 14 proposed rule for publication in the Texas Register for a 30-day 15 public comment period, and also requests the ability to make 16 minor nonsubstantive changes to the document to comply with the 17 publication requirements of the Texas Register and the Office of 18 the Secretary of State. That concludes my presentation. I'm 19 happy to answer any questions. 20 CHAIRMAN DANIEL: Comments or questions? 21 COMMISSIONER TREVIÑO: No questions. 22 COMMISSIONER ESPARZA: No questions. 23 CHAIRMAN DANIEL: Is there a motion? 24 COMMISSIONER TREVIÑO: Chairman, I move to

approve the proposal of amendments to 40 Texas Administrative

Code Chapter 813, Supplemental Nutrition Assistance Program

Employment and Training for publication in the Texas Register

and public comment as recommended today by staff.

COMMISSIONER ESPARZA: I second.

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

JOEL MULLINS: Thank you.

CHAIRMAN DANIEL: This is Agenda Item 11, 2025-2026 Child Care Market Rate Survey and Cost of Quality Price Modeling.

ALLISON WILSON: Good morning, Chairman, commissioners, and Mr. Serna. For the record, Allison Wilson with Child Care and Early Learning Division. In June of last year you approved the fiscal year 2024 statewide initiatives budget which included funding for the annual child care market rate survey and cost of quality price modeling report. The 2024 reports are scheduled to be delivered this June. TWC contracts with UT's Ray Marshall Center to complete both the market rate survey and the cost of quality reports. While the market rate survey is published annually, the cost of quality report is published for licensed child care centers every odd-numbered year, and for family child care homes every even-numbered year. To cover the requirements of the alternating years, TWC will enter into a two-year contract with UT beginning July 1st for the 2025 and 2026 market rate surveys and cost of quality reports.

1 There is currently not enough funding in the FY24 budget to fund 2 this upcoming two-year contract. Therefore, staff is requesting 3 that the commission approve statewide initiative funding. We are 4 requesting \$800,000 in fiscal year 25 for the 2025 market rate 5 survey and cost of quality report for centers, and \$800,000 in 6 FY26 for the 2026 market rate survey and cost of quality report 7 for homes. That concludes my remarks and I'm happy to answer any 8 questions. 9 CHAIRMAN DANIEL: Comments or questions? COMMISSIONER TREVIÑO: None here. 10 11 COMMISSIONER ESPARZA: No questions. 12 CHAIRMAN DANIEL: Is there a motion? 13 COMMISSIONER TREVIÑO: Chairman, I move to 14 approve the funding in the amount of 1.6 million dollars for the 15 2025 and 2026 child care market rate surveys and cost of quality 16 price modeling studies as described in the discussion paper and 17 recommended today by staff. 18 COMMISSIONER ESPARZA: I second. 19 CHAIRMAN DANIEL: It's been moved and 20 seconded and the motion carries. 21 ALLISON WILSON: Thank you. 22 CHAIRMAN DANIEL: This is Agenda Item 12, 23 AEL advisory committee annual report. 24 MAHALIA BALDINI: Good morning, Chairman 25 Daniel, Commissioner Treviño, Commissioner Esparza, and Mr.

Serna. For the record, Mahalia Baldini, Workforce Development Division. Texas Labor Code Chapter 315.005 requires that the Texas Workforce Commission establish an adult education and literacy advisory committee which is charged with reporting to the commission annually and advising the commission on various aspects related to the enhancement of adult education here in Texas. I want to thank all of our advisory committee members for their contributions over the last year that led to today's report. I have with me today our advisory committee's presiding officer, Steve Banta, who is also the executive director of Literacy Texas, at least for a couple more months. He's actually going into retirement here very soon and we wish him well. He will be addressing the commission today to present the 2023 annual report. Once he concludes his remarks, I will provide a brief summary of the work conducted over the past year by TWC to be responsive to the recommendations. At this time, I'd like to welcome Steve Banta.

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STEVE BANTA: Thank you, Mahalia. For the record, my name is Steve Banta, executive director of Literacy Texas. Good morning, commissioners. Since you have been briefed on the details of our committee's recommendations, I will provide some highlights for you. The AEL advisory committee focused on best practices when discussing AEL services across Texas and heard from several very successful programs. Highlights from these discussions were incorporated into our two

recommendations to this commission. If there is a theme, it is that successful programs have found a way to collaborate with other social service programs to provide the wraparound services students need to be successful. The first recommendation focuses on employers. Texas employers provide one of the best ways to prepare students for employment. To this end we encourage TWC to continue to develop projects and partnerships like the talent pipeline management system that trains prospective workers with specific skills that meet the employer's needs. This also creates the opportunity for TWC to develop standardized curriculums that could include employability and digital literacy skills to meet employer needs. The second recommendation focuses on state agencies and community-based organizations. The committee recommends that TWC examine ways to promote collaboration between agencies, jail prison-based programs, CBOs, and Workforce Solutions to create a no-wrongdoor approach to better serve participants, avoid duplication, support continuity of services, and provide more efficient use of scarce resources. Some examples are create a statewide academy to educate frontline AEL workforce development and Workforce Solutions office staff about all services available or create a data system that integrates all WIOA core partners to share participant data. Finally, it could also define a referral process for students leaving the corrections prison jail environment to connect with CBOs pre-entry and facilitate

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enrollment and transfer of records. The committee thanks Mahalia Baldini for her leadership, and this commission for the opportunity to provide recommendations to address the very important topic of adult literacy in Texas. This concludes my remarks.

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MAHALIA BALDINI: Thank you, Steve. I just wanted to take a moment to acknowledge for the commissioners some existing and ongoing work of our department and division to be responsive to the committee's recommendations. With regards to the committee's 2022 recommendations which were brought forward to you last year of working with employers on projects and partnerships that provide vocational and employability skills, specifically those of digital literacy skills, TWC contracted with the Texas Center for Advancement of Literacy and Learning to advise—to revise our adult education and literacy content standards to include specific standards for digital literacy. The rollout of the revised content standards to over 100 AEL providers across the state began in November of 2023, and we'll conclude those events this month. This will now require all adult education providers develop curriculum that will now include a digital literacy competency. The 2022 report also recommended a digital literacy and equity assessment to better understand the primary barriers that may restrict AEL students from accessing online services. In response TWC staff are currently working on a policy change as well as a data

system enhancement to require comprehensive assessment at intake to collect those digital literacy skills and access-related datapoints. This will allow us to better assess need and develop a statewide coordinated response. Also in 2022, the advisory committee recommended TWC examine ways to promote collaboration between our stakeholders to create this no-wrong-door approach. In response TWC staff worked in partnership with Region 6 Education Service Center who is our contractor for a career pathway professional development center to launch the very first Workforce Integration Academy. The first step an initial academy focused on professional learning activities around bridging the gap in knowledge of adult education leadership with board programs and services to ensure there is awareness and referrals between partners. After feedback from staff as well as some attendees for our first academy, we will be revising and making a second iteration of the academy and expanding our stakeholders to include employers. Again, I just wanted to thank Steve for his leadership over the past two years, and all of our advisory committee members for their dedication and continued commitment to serving adult learners here in Texas. This concludes my remarks.

CHAIRMAN DANIEL: Any comments or questions?

COMMISSIONER TREVIÑO: I just want to thank staff and you, Mr. Banta, and the committee members for their

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1 commitment, hard work, and expertise in improving the quality 2 and effectiveness of our AEL program. MAHALIA BALDINI: Thank you, sir. 3 4 COMMISSIONER ESPARZA: No questions but I 5 second Mr. Treviño's remarks, and enjoy your retirement, Mr. 6 Banta, and thank you for your work on this advisory committee. 7 CHAIRMAN DANIEL: Steve, thank you so much, 8 and Mahalia as always. Lots of great work going on. Steve, we don't celebrate our volunteers enough. All we can really do is 10 say thank you. I really appreciate all you've done. You've 11 really helped advance the issue to the point where it's very 12 actionable for this commission and I really appreciate that. 13 That's difficult to do in this day and age. All right. Anything 14 else? 15 MAHALIA BALDINI: That's it. 16 CHAIRMAN DANIEL: Thank you. This is Agenda 17 Item 13, AEL advisory committee members. 18 MAHALIA BALDINI: Just to keep it 19 interesting I'm going to come over here. Good morning again, 20 commissioners. For the record, Mahalia Baldini with the 21 Workforce Development Division. Texas Labor Code Chapter 315.005 22 as well as the Administrative Code Rule Chapter 805.43 require 23 that the Texas Workforce Commission establish an adult education 24 and literacy advisory committee. The committee must not be

composed of more than nine members and must include at least one

representative from our business community as well as one representative from a local Workforce Development Board. For your consideration today, staff recommends the appointment of two new members, Ernest Lewis, senior director of economic initiatives for BakerRipley, as well as Karla Flanagan who is the associate vice chancellor of instructional alignment and innovation at the Texas State Technical College. Staff are also recommending the reappointment of Jauneen Maldonado who is the director of adult education for Workforce Solutions Tarrant County. If approved, all three members would enter into a two-year term that would expire in January of 2026. I'm happy to answer any questions that you may have.

CHAIRMAN DANIEL: Comments or questions?

COMMISSIONER TREVIÑO: None here.

COMMISSIONER ESPARZA: No questions.

CHAIRMAN DANIEL: Is there a motion?

COMMISSIONER TREVIÑO: Chairman, I move we

appoint the following individuals to serve on the adult education and literacy advisory council for two-year terms expiring in January of 2026: Jauneen Maldonado, Ernest Lewis, and Karla Flanagan.

COMMISSIONER ESPARZA: I second.

CHAIRMAN DANIEL: It's been moved and seconded and the motion carries. Thank you. This is Agenda Item 14, WIOA combined state plan for program years 2024 to 2027.

JOEL MULLINS: Good morning again. For the record, I'm Joel Mullins with Workforce Development. The Workforce Innovation and Opportunity Act requires that in order to be eligible to receiving funding for WIOA core programs, Titles I through IV, the governor of each state must submit a unified or combined state plan to the U.S. Departments of Labor and Education. On December 12, 2023, the commission approved the program year 2024 to 2027 WIOA combined state plan for posting for public comment. From December 24, 2023, through January 13th of this year, TWC solicited comments from representatives of Workforce Development Boards and chief elected officials, representatives of agricultural organizations, community-based organizations, adult education providers, institutions of higher education, and the public. During that time TWC received one comment relating to the alignment of education and workforce partnerships. The plan was updated to summarize and respond to the comment but no other changes were made to the plan related to that comment. Additionally, on January 10, 2024, the U.S. Department of Education Rehabilitation Services Administration released additional plan guidance regarding the VR program, and in response to that staff amended the plan to describe collaborative efforts between TWC and state and local educational agencies to improve employment outcomes for individuals with disabilities. This morning staff recommends approval of the proposed combined state plan for transmittal to

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1 the Texas Workforce Investment Council and the governor for 2 submission to the Departments of Labor and Education. I'm happy 3 to answer any questions. 4 CHAIRMAN DANIEL: Comments or questions? 5 COMMISSIONER TREVIÑO: None here. 6 COMMISSIONER ESPARZA: No questions. 7 CHAIRMAN DANIEL: Is there a motion? COMMISSIONER TREVIÑO: Chairman, I move to 8 9 approve the Workforce Innovation and Opportunity Act combined 10 state plan for program years 2024 to 2027 for transmittal to the 11 Texas Workforce Investment Council and the office of the 12 governor for submission to the United States Departments of 13 Labor and Education as recommended today by staff. 14 COMMISSIONER ESPARZA: I second. 15 CHAIRMAN DANIEL: It's been moved and 16 seconded and the motion carries. Thank you. 17 JOEL MULLINS: Thank you. 18 CHAIRMAN DANIEL: This is Agenda Item 15, 19 internal audit charter. 20 ASHLEY SAGEBIEL: Good morning, chairman, 21 commissioners. For the record, Ashley Sagebiel, director of 22 internal audit. The internal audit charter is a formal document 23 that defines the internal audit's purpose, authority, and 24 responsibility. This document should be reviewed and revised 25 periodically to ensure all information is up to date and

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   accurate. Today I'm here to present the internal audit charter
   as discussed with your offices for your consideration and
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   approval.
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                         CHAIRMAN DANIEL: Are there any comments or
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   questions?
                         COMMISSIONER TREVIÑO: No comments.
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                         COMMISSIONER ESPARZA: No questions.
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                         COMMISSIONER TREVIÑO: Chairman, I move to
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   approve the internal audit charter as recommended today by
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   staff.
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                         COMMISSIONER ESPARZA: I second.
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                         CHAIRMAN DANIEL: It's been moved and
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   seconded and the motion carries. This is Agenda Item 16, fiscal
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   year 2024 internal audit plan.
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                         ASHLEY SAGEBIEL: Again, for the record,
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   Ashley Sagebiel, director of internal audit. I'm here to present
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   the fiscal year 2024 audit plan for your consideration and
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   approval. On page seven and eight of your materials you will
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   find the proposed audit projects as briefed with your offices.
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   I'm happy to answer any questions you may have.
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                         CHAIRMAN DANIEL: Any comments or questions?
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                         COMMISSIONER TREVIÑO: None here.
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                         COMMISSIONER ESPARZA: No questions.
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                         CHAIRMAN DANIEL: Is there a motion?
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COMMISSIONER TREVIÑO: Chairman, I move to approve the fiscal year 2024 internal audit plan as recommended today by staff.

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COMMISSIONER ESPARZA: I second.

CHAIRMAN DANIEL: The motion is moved and seconded and the motion carries. Thank you. This is Agenda Item 17, fiscal year 2023 annual and supplemental reports.

MATTHEW MAZER: Good morning, Chairman Daniel, Commissioner Treviño, Commissioner Esparza, and Mr. Serna. To everyone who is not statutorily required to have a good morning, I hope you do anyway. For the record, my name is Matthew Mazer with Outreach and Employer Initiatives Division. Before we get started, I'd like to take a moment to acknowledge all those who contributed to these reports from content contributors to accessibility remediators. Many people across several divisions put a lot of their time into these reports, and then I put that into a size 11 Calibri font. I hope one day we can do it all over again. Before you today for consideration are the fiscal year 2023 TWC annual and supplemental reports. The annual report has been produced in compliance with Texas Labor Code Section 301.065 for submission to the governor and Texas Legislature pending commission approval. Also, before you is TWC's supplemental report produced in accordance with Texas Labor Code Section 301.065 which requires TWC to submit a separate supplemental annual report consisting of any

1 information required by other law to be included in the 2 supplemental annual report. It contains annual information for 3 the following programs: College Credit for Heroes, Skills 4 Development Fund, Trade Adjustment Assistance, and Works 5 Wonders, Texas Purchasing from People with Disabilities, all of which are required under the law. Staff also requests the 6 7 ability to make minor nonsubstantive changes to the document in order to comply with the publication requirements of the Texas 8 9 Register and the Office of the Secretary of State. That 10 concludes my presentation. Staff are available from all relevant 11 programs to answer any questions about either of these reports. 12 CHAIRMAN DANIEL: Comments or questions? 13 COMMISSIONER TREVIÑO: None here. 14 COMMISSIONER ESPARZA: No questions. Thanks. 15 CHAIRMAN DANIEL: I do have-we can do this 16 one of two ways. I have an amendment to the motion so why don't 17 we go ahead and put the motion on the table and then I'll 18 introduce my amendment and I'll tell you about it. 19 COMMISSIONER TREVIÑO: OK. Chairman, I move 20 to approve the fiscal year 2023 annual and supplemental reports 21 for submission to the governor and legislature as recommended 22 today by staff.

do have an amendment to the motion. So this is a legislative

report. I noted in the commissioners' message that we talked

CHAIRMAN DANIEL: I'll second that motion. I

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about some programs that the legislature had amended for the new biennium. We did not talk about some others. I asked staff to draft an amendment that would encompass everything the legislature either gave us new, changed the dollar amount on. In other words I wanted to acknowledge to the legislature that we had taken under advisement and work all of the elements that they had changed in the last legislative session. I've distributed it here to the other commissioners what staff's proposed language looks like. It looks good to me. They simply went in and captured that so I would move we adopt this amendment.

CHAIRMAN DANIEL: Is there any objection to adopting the amendment? Hearing none, the amendment is adopted. Is there any objection to adopting the amended motion? Hearing none, the motion is adopted unanimously. Before we move on, Mr. Trobman, can we get some complete report as to who is statutorily required to have a good morning? Because I have not been and I want to make sure I am not violating the law. Thank you, guys, very much. This is Agenda Item 18, board nominees.

SHUNTA WILLIAMS: Good morning, chairman, commissioners, and Mr. Serna. For the record, Shunta Williams with the Workforce Development Division. Today for your consideration we present Workforce Board nominations for

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   Workforce Solutions North Central Texas, Greater Dallas, Lower
   Rio Grande Valley, North Texas, and Permian Basin. Staff
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   recommends approval on the presented nominees, and I'm here to
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   answer any questions you may have.
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                         CHAIRMAN DANIEL: Any comments or questions?
                         COMMISSIONER TREVIÑO: None here.
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                         COMMISSIONER ESPARZA: No questions.
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                         CHAIRMAN DANIEL: Is there a motion?
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                         COMMISSIONER TREVIÑO: Chairman, I move to
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   approve the local Workforce Development Board member nominees
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   presented today for the following: Workforce Solutions North
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   Central Texas, Greater Dallas, Lower Rio Grande Valley, North
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   Texas, and Permian Basin.
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                         COMMISSIONER ESPARZA: I second.
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                         CHAIRMAN DANIEL: It's been moved and
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   seconded and the motion carries. Thank you.
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                         SHUNTA WILLIAMS: Thank you.
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                         CHAIRMAN DANIEL: I do not see any evidence
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   of a legislative report today. Is there an executive director's
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   report.
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                         MR. SERNA: Excuse me, sir. No, sir, there
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   is not that item.
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                         CHAIRMAN DANIEL: All right, is there any
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   other order of business to come before the commission?
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                         COMMISSIONER TREVIÑO: I have one comment.
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   Chapter 133 contact hour rate and due to the increased number of
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   apprentices, the contact hour rate will be $2.80 per hour which
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   is well below the TWIC recommendation of $4.00 per hour. On June
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   13, 2023, the commission approved the fiscal year 24 budget with
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   the amendment that the reduced Chapter 133 funding by $650,000
   with the understanding that, if necessary, we could restore it.
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   I would like staff to bring forward a discussion paper with
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   options that explore restoring the WIOA funding to
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   apprenticeship and options to maintain the $4.00 contact hour
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   rate. Due to the importance of getting a contract signed, I'd
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   like to request this discussion paper be expedited and briefed
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   to the offices so that it can be brought forward for
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   consideration at the February 6th meeting.
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                         MR. SERNA: Yes, sir. We'll take care of
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   that.
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                         COMMISSIONER TREVIÑO: Thank you.
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                         CHAIRMAN DANIEL: Any other business to come
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   before the commission?
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                         COMMISSIONER TREVIÑO: None here.
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   adjourn?
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                         COMMISSIONER TREVIÑO: I move to adjourn.
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                         COMMISSIONER ESPARZA: I second.
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