



**MEETING OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**JANUARY 5, 2021**

1 TUESDAY, JANUARY 5, 2021

2 CHAIRMAN DANIEL: Good morning, everyone,  
3 this meeting is called to order. Mr. Trobman, has anyone signed  
4 up for (audio garbled).

5 MR. TROBMAN: Morning, commissioners. No,  
6 we have no public comment this morning.

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

9 MS. MILLER: Good morning, sir.

10 CHAIRMAN DANIEL: This brings us to the end  
11 of Agenda Items 3 through 7. Let's pause for a few moments to  
12 reset for the rest of the meeting.

13 CHAIRMAN DANIEL: All right, are we ready  
14 to tackle the rest of this?

15 COMMISSIONER ALVAREZ: Yes, sir.

16 COMMISSIONER DEMERSON: Let's rock and  
17 roll.

18 CHAIRMAN DANIEL: This is Agenda Item 8,  
19 discussion, consideration, and possible action regarding the  
20 acceptance of pledges for board contract year 2020 and 2021 child care  
21 matching funds.

22 MS. TROKE: Good morning and happy New Year,  
23 Chair Daniel, commissioners, Mr. Serna. For the record, Jen Troke,  
24 Workforce Development Division. Annually, local workforce development  
25 board submit local match pledges to secure federal childcare funds  
pursuant to commission rule 809.17. This is a standing agenda item,

1 as boards may continue to submit match agreements through January 31,  
2 2021. Today's agenda includes 61 match agreements from 12 boards.  
3 Twenty boards have secured a portion of match, with 19 securing at  
4 least 50 percent of their total. Today, staff requests commission  
5 acceptance of childcare pledges for donations, transfers, and  
6 certifications of expense for BCY '21 in the amount of \$20,765,074.  
7 Happy to answer any questions, and thank you.

8 CHAIRMAN DANIEL: Any comments or questions?

9 COMMISSIONER ALVAREZ: None here, Chairman.

10 COMMISSIONER DEMERSON: None.

11 CHAIRMAN DANIEL: Do we have a motion on this  
12 issue?

13 COMMISSIONER ALVAREZ: I move that we accept  
14 childcare match in the amount of \$20,765,074 for board contract year  
15 2021.

16 COMMISSIONER DEMERSON: Second.

17 CHAIRMAN DANIEL: Yeah, it's been moved and  
18 seconded. We're unanimous.

19 MS. TROKE: Thank you.

20 CHAIRMAN DANIEL: Thank you. This'll bring us  
21 to item 9, discussion, consideration, and possible action regarding  
22 adoption of amendments to 40 Texas administrative code chapter 800,  
23 general administration, to implement senate bill 1055 from the 86th  
24 Texas legislature relating to the workforce diploma pilot program  
25 previously published for public comment in the October 23, 2020, issue  
of the Texas Register.

1 MS. BALLAST: Good morning, Chairman Daniel.  
2 How's the volume?

3 CHAIRMAN DANIEL: Good.

4 MS. BALLAST: Okay, thank you. Good morning,  
5 Chairman Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr.  
6 Serna. For the record, Kerry Ballast with the Workforce Development  
7 Division. Commissioners, before you today for your consideration for  
8 adoption are final rule amendments to chapter 800, general  
9 administration. In open meetings on October 6, 2020, the commission  
10 approved proposed amendments to TWC's chapter 800 rules regarding the  
11 implementation of a workforce diploma pilot program under Texas labor  
12 code chapter 317. The proposed rule amendments were published in the  
13 October 23, 2020 issue of the Texas Register for a 30-day comment  
14 period. TWC did not receive comments on the proposed rules.  
15 Therefore, the final rules include no changes. Staff seeks commission  
16 action regarding the adoption of the chapter 800 rule amendment, as  
17 included in today's meeting notebook and published on the agency's  
18 website. Should the commission adopt these rules, staff requests the  
19 ability to make minor, non-substantive changes to the document in  
20 order to comply with publication requirements of the Texas Register  
21 and of the Secretary of State office. This concludes my presentation.  
22 I'm available to answer any questions that you may have. Thank you.

23 CHAIRMAN DANIEL: Thank you. Any comments or  
24 questions?

25 COMMISSIONER ALVAREZ: None here, Chairman.

1 COMMISSIONER DEMERSON: (Inaudible) good to see  
2 it getting done.

3 MR. SERNA: No, no other comments.

4 CHAIRMAN DANIEL: Do we have a motion here?

5 COMMISSIONER ALVAREZ: Chairman, I move that we  
6 adopt the chapter 800 rules related to the workforce diploma  
7 reimbursement program, as discussed by staff.

8 COMMISSIONER DEMERSON: Second.

9 CHAIRMAN DANIEL: It's been moved and seconded.  
10 We're unanimous.

11 MS. BALLAST: Thank you.

12 CHAIRMAN DANIEL: Thank you. This is item 10,  
13 discussion, consideration, and possible action regarding adoption of  
14 amendments to 40 TAC chapter 803, skills development fund, relating to  
15 the implementation of house bill 108, 85 Texas legislature, house bill  
16 700, 86 Texas legislature, previously published for public comment in  
17 the November 13, 2020, issue of the Texas Register.

18 MS. RAMOS: Good morning, Chairman Daniel,  
19 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna, and happy  
20 New Year. For the record, Christina Ramos with the Workforce  
21 Development Division. Commissioners, before you today for your  
22 consideration for adoption are final rule amendments to chapter 803,  
23 skills development fund. In open meeting on October 29, 2020,  
24 commission approved proposed amendments to TWC's chapter 803 rules in  
25 response to changes passed in house bill 700 during the 85 legislative  
session. Specifically, these changes include (inaudible) section

1 803.1(a) to add boards to the list of eligible entities to provide  
2 customized assessment and training, amending 803.2 to update  
3 definitions to include boards as eligible partners and grant  
4 recipients, amending section 803.14 to remove the requirement that  
5 boards (inaudible) comments on (sounds like) SCF applications  
6 submitted to TWC, and to include boards in other provisions of the  
7 procedure for requesting funding. Amending section 803.15 to remove  
8 the requirement that TWC notify boards when evaluating an SCF  
9 application, instead requiring that TWC notify all eligible applicants  
10 when it is evaluating an SCF application, and to add section 803.15,  
11 which will prohibit SCF applicants on corrective action, as described  
12 in chapter 802, subchapter 3, corrective actions for receiving an SCF  
13 grant. Additionally, house bill 108, which passed during the 85  
14 legislature, amended to (inaudible) the labor code regarding the use  
15 of grant funds to encourage employer expansion and recruitment. We  
16 are proposing amending section 803.4 to incorporate this change.  
17 There are also some minor changes correcting the name of the Texas A&M  
18 engineering extension service to include A&M, and some technical  
19 changes updating outdated references in rule. Lastly, there was a  
20 change to section 803.2 definitions to remove any reference to  
21 individual or person from the definition of "private partner." The  
22 proposed rule amendments were published in the November 13, 2020 issue  
23 of the Texas Register for a 30-day public comment period. Two public  
24 comments were received. Staff has reviewed and responded to the  
25 comments, and as a result of those comments has modified the proposed  
rules. These changes include changes to section 803.2 definitions in

1 response to comments received. Definitions are added for eligible  
2 applicant and executive director, to clarify the use of these terms in  
3 proposed section 803.14. Section 803.14 is amended to clarify the  
4 language stating that SCF applicants obtain the review and comments of  
5 the board in the applicable workforce area, for there is a significant  
6 impact on job creation or incumbent worker training. Comments were  
7 received from two entities regarding board comments and review of  
8 skills applications. A review of proposed language submitted by one  
9 commenter resulted in the changes to 803.14 that are before you today.  
10 Specifically, that applicants will request a review and comments of  
11 the board in the applicable workforce area, where there is a  
12 significant impact on job creation or incumbent worker training; an  
13 eligible applicant is not required to obtain or provide comments if  
14 the board informs the applicant that the board is preparing an  
15 application or has submitted an application that has not been approved  
16 or rejected. Boards are not required to comment on their own  
17 applications. And eligible applicants shall submit any updates to the  
18 original application for funding in accordance with previously  
19 mentioned sections. Staff seeks commission action regarding the  
20 adoption of the chapter 803 rule amendments as included amendments as  
21 included in today's meeting notebook and published on the agency's  
22 website. Should the commission adopt these rules, staff requests the  
23 ability to make minor, non-substantive changes to the document in  
24 order to comply with publication requirements of the Texas Register  
25 and the office of the Secretary of State. This concludes my

1 presentation. I'm available to answer any questions that you may  
2 have. Thank you.

3 CHAIRMAN DANIEL: Thank you. Comments or  
4 questions?

5 COMMISSIONER ALVAREZ: I have a comment,  
6 Chairman.

7 CHAIRMAN DANIEL: Mm-hmm.

8 COMMISSIONER ALVAREZ: Ms. Ramos, first of all,  
9 happy New Year to you as well, so thank you for that. And thank you  
10 for working so closely with our office. I do wanna state for the  
11 record my following comment, and I also wanna make it clear I just  
12 specifically wanna ask this question for clarification purposes. As  
13 you know, the modified comments for the agenda items are--for Agenda  
14 Item 10 has been given to all of us. I would like to thank (sounds  
15 like) TOB and Blinn College for their comments to the posted rules. I  
16 was glad to see the changes to the rules and believe they now better  
17 reflect the type of collaboration we want to encourage between the  
18 boards and the community colleges to develop training projects that  
19 support local employers while upscaling employers--correction,  
20 upscaling workers. However, I am concerned that we did not take the  
21 opportunity to clarify the statute by indicating that public state  
22 colleges are eligible participants for (inaudible) grants. Although  
23 historically we have allowed public state colleges to be eligible  
24 applicants, the rule does not list them as an eligible grantee. I  
25 noted this during the work session on these rules in the past and did  
not receive any clarification. This is a missed opportunity. Again,



1 I wanna thank you, Ms. Ramos, for this. But again, I understand the  
2 conversations we've had in the past, and I understand that there's a  
3 distinction between dual enrollment. But for the record, I'd like for  
4 that to be stated during this work session. Or during this op--this  
5 time.

6 CHAIRMAN DANIEL: Additional questions or  
7 comments?

8 COMMISSIONER DEMERSON: Mr. Chairman, I'd like  
9 to also thank Christina and the (inaudible) for the work that they've  
10 done. Thank you for the patience. As well, thanks for just simply  
11 getting it done. Also, I'd like to applaud those boards that are out  
12 there, and the colleges, for the work that they've done in the past  
13 and the work that they're going to do in the future. So, I'm excited  
14 about what we have before us, and looking forward to jumping right in.

15 CHAIRMAN DANIEL: All right, do we have a  
16 motion on this issue?

17 COMMISSIONER ALVAREZ: I guess are we clear on  
18 the state colleges? That was my main concern. And I didn't know if  
19 Ms. Ramos wanted to respond to that, my comments.

20 MS. RAMOS: Commissioner Alvarez, I did speak  
21 with your staff, and because the change was not in response--was not a  
22 direct response to any of the comments that were received during  
23 publication in the Texas Register, we did not address that change at  
24 this time. If we were to make the change, we would be required to  
25 republish the rules in the Texas Register for another 30 days for  
public comment, and then bring them back to the commission for a vote.

1 COMMISSIONER ALVAREZ: So, is it safe by saying  
2 that those state colleges that have been awarded in the past, (sounds  
3 like) like the LITs, would continue receiving skills development  
4 grants?

5 MS. RAMOS: Yes, because they are identified in  
6 the statute as eligible recipients.

7 COMMISSIONER ALVAREZ: Perfect. I wanted that  
8 for the record.

9 MS. RAMOS: Sure.

10 COMMISSIONER ALVAREZ: Nothing else here as far  
11 as comments. I'm ready for the motion.

12 CHAIRMAN DANIEL: Okay.

13 COMMISSIONER ALVAREZ: I move that we adopt the  
14 amendments to chapter 803, skills development fund, as presented.

15 COMMISSIONER DEMERSON: Second the motion.

16 CHAIRMAN DANIEL: It's been moved and seconded.  
17 Motion carries.

18 COMMISSIONER ALVAREZ: Thank you, Ms. Ramos.

19 MS. RAMOS: Thank you.

20 CHAIRMAN DANIEL: This'll bring us to Agenda  
21 Item 11, discussion, consideration, and possible action regarding  
22 adoption of amendments to 40 TAC chapter 806, purchasing from people  
23 with disabilities, relating to the implementation of senate bill 753,  
24 86 legislature, and PPD program improvements, previously published for  
25 public comment in the November 27, 2020, issue of the Texas Register.

1 MR. HOOKS: Good morning, Chairman Daniel,  
2 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the  
3 record, I'm Michael Hooks with the Vocational Rehabilitation Division.  
4 Before you today for your consideration are--for adoption are final  
5 rule amendments to chapter 806 that (inaudible) purchase of products  
6 and services from people with disabilities. In an open meeting on  
7 November 10 of 2020, the commission approved proposed amendments to  
8 TWC's chapter 806, rules regarding the PPD program. The proposed rule  
9 amendments were published in the November 27, 2020 issue of the Texas  
10 Register for a 30-day public comment period. Public comments were  
11 received. Staff has reviewed and responded to all comments; as a  
12 result of those comments has modified to clarify the proposed rules.  
13 There were three comments received regarding a third-party disability  
14 determination methodology. Clarifications were proposed to address  
15 those concerns presented. Staff seeks the commission's action  
16 regarding the adoption of chapter 806 rule amendments as included in  
17 today's meeting notebook and published on the agency's website.  
18 Should the commission adopt these rules, staff requests the ability to  
19 make minor, non-substantive changes to the document in order to comply  
20 with publication requirements of the Texas Register and the office of  
21 the Secretary of State. This concludes (inaudible) presentation. I'm  
22 available to answer any questions that you may have.

23 CHAIRMAN DANIEL: Any comments or questions?

24 COMMISSIONER ALVAREZ: None here, Chairman.

25

1 COMMISSIONER DEMERSON: No questions. I wanna  
2 thank Mike for briefing our office (inaudible) again (inaudible)  
3 initial briefing. Thank you, Mike, for that.

4 CHAIRMAN DANIEL: Do we have a motion?

5 COMMISSIONER ALVAREZ: Yes, sir, I move that we  
6 approve the changes to chapter 806 rules, as discussed by staff.

7 COMMISSIONER DEMERSON: Second.

8 CHAIRMAN DANIEL: It's been moved and seconded.  
9 Motion carries. This is item 12, discussion, consideration, and  
10 possible action regarding an appointment to fill a vacancy on the  
11 advisory committee of the Purchasing from People with Disabilities  
12 program.

13 MR. HOOKS: Once again, good morning. For the  
14 record, I'm Michael Hooks with the Vocational Rehabilitation Services  
15 Division. The (inaudible) code section 122.05(7)(a) authorizes the  
16 commission to establish an advisory committee to assist the commission  
17 in establishing program performance goals and criteria for certifying  
18 community rehabilitation plans for CRPs with the Purchase from People  
19 with Disabilities program. Per 122.05(7), the advisory committee is  
20 composed of 13 members, as follows: Four are representatives from  
21 CRPs that participate in the program; four are from organizations that  
22 advocate for individuals with disabilities; (inaudible) commissioner  
23 of the Texas Health and Human Services Commission or their designee;  
24 and (inaudible) individuals with disabilities who--of which two are  
25 employed by CRP that participates in the program. The committee has a  
current vacancy in the individuals with disabilities category;

1 specifically, the vacancy is one of the two seats held by individuals  
2 with disabilities not working for a community rehabilitation program.  
3 Two individuals applied for the vacancy; both of them meet the  
4 criteria for consideration. Staff has reviewed the candidates' stated  
5 qualifications and experience serving on boards and committees and  
6 supports the appointment of a candidate with experience serving on  
7 boards and committees. Staff seeks direction on the employment of Ms.  
8 Cathy Williams (inaudible) to the PPD advisory committee for a  
9 standard four-year term in the category of people with disabilities  
10 not working for a CRP. That concludes my presentation, and I'm open  
11 to any questions you may have.

12 CHAIRMAN DANIEL: Any questions or comments?

13 COMMISSIONER ALVAREZ: Chairman, the comment I  
14 have is I wanna thank Mr. Hooks for the work they've put together. It  
15 was my understanding that we had two great applicants that had applied  
16 for this position. So I just wanted to take the opportunity to  
17 congratulate Ms. Williams. But Mr. Hooks, thank you. I know this  
18 was--they were equally qualified, and it's good to see that we have  
19 folks like that that are interested in volunteering their time to  
20 serve in this capacity. So, thank you for that.

21 COMMISSIONER DEMERSON: Chairman, I too would  
22 like to congratulate Cathy Williams, if accepted in this appointment  
23 for this PPD advisory committee.

24 CHAIRMAN DANIEL: All right, do we have a  
25 motion on this issue?



1 comment period, and no comments were received. Therefore, the final  
2 rules contain no changes. If adopted, staff also requests the ability  
3 to make minor, non-substantive changes in order to comply with the  
4 publication requirements of the Texas Register and the office of the  
5 Secretary of State. This concludes my remarks, and I'm happy to  
6 answer any questions you may have.

7 CHAIRMAN DANIEL: Any comments or questions?

8 COMMISSIONER ALVAREZ: None here, Chairman  
9 Daniel.

10 COMMISSIONER DEMERSON: None.

11 CHAIRMAN DANIEL: And do we have a motion here?

12 COMMISSIONER ALVAREZ: Yes, sir. I move that  
13 we adopt the chapter 823 rules relating to the integrated complaints,  
14 hearings, and appeals, as discussed by staff.

15 COMMISSIONER DEMERSON: Second.

16 CHAIRMAN DANIEL: It's been moved and seconded.  
17 We're unanimous.

18 MR. OAKLEY: Thank y'all.

19 COMMISSIONER ALVAREZ: Thank you, Mr. Oakley.

20 CHAIRMAN DANIEL: Move to Agenda Item 14,  
21 discussion, consideration, and possible action regarding the adoption  
22 of the rule reviews of 40 TAC chapter 804, jobs and education for  
23 Texans; 40 TAC chapter 807, career schools and colleges; and 40 TAC  
24 chapter 858, procurement and contract management requirements for  
25 purchase of goods and services for VR services. This was previously

1 published for the public comment in the July 17, 2020, issue of the  
2 Texas Register.

3 MR. O'BRIEN: Good morning, Chairman Daniel,  
4 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the  
5 record, I'm Reed O'Brien with the office of general counsel. The  
6 Texas government code section 2001.039 requires state agencies to  
7 review their rules every four years and determine if the initial  
8 reasons for adopting the rules continue to exist. Before you today  
9 for your consideration are three chapters for readoption: Chapter  
10 804, jobs and education for Texas grant program; chapter 807, career  
11 schools and colleges; and chapter 858, procurement and contract  
12 management requirements for purchase of goods and services for  
13 vocational rehabilitation services. In an open meeting on June 30,  
14 2020, the proposed rule reviews were approved for publication in the  
15 Texas Register for a 30-day public comment period. The proposed rule  
16 reviews were published in the July 17, 2020 issue of the Texas  
17 Register and no comments were received. Staff has reviewed each of  
18 these rule chapters and determined that the initial reasons for  
19 adopting the chapters still exist, and these chapters are still  
20 needed. In accordance with the requirements of Texas government code  
21 section 2011.039, staff seeks commission action to readopt chapters  
22 804, 807, and 858, as included today's meeting notebook and published  
23 on the agency's website. This concludes my presentation and I'm  
24 available for any questions.

25 CHAIRMAN DANIEL: Comments or questions?



1 COMMISSIONER ALVAREZ: No questions for Mr.  
2 O'Brien.

3 COMMISSIONER DEMERSON: None here, thank you.

4 CHAIRMAN DANIEL: All right, do we have a  
5 motion on this issue?

6 COMMISSIONER ALVAREZ: Chairman, I move that we  
7 readopt chapters 804, 807, and 858, as discussed.

8 COMMISSIONER DEMERSON: Second.

9 CHAIRMAN DANIEL: It's been moved and seconded.  
10 We're unanimous. Thank you. This is item 15, discussion,  
11 consideration, and possible action regarding adoption of amendments to  
12 40 TAC chapter 809, childcare services, previously published for  
13 public comment in the October 23, 2020, issue of the Texas Register.

14 MS. WILSON: Good morning, Chairman,  
15 commissioners, and Mr. Serna. For the record, Allison Wilson with the  
16 Childcare and Early Learning Division. Today we bring forward the  
17 final rule amendments to TWC's chapter 809 childcare services rules  
18 for your consideration for adoption. In an open meeting on October 6,  
19 2020, the commission approved proposed amendments to chapter 809  
20 required requirements arising from the passage of house bill 680  
21 during the 86 legislative session, amendments that align with the  
22 Texas Rising Star four-year review, as well as a few other updates and  
23 technical corrections. The proposed rule amendments were published in  
24 the October 23 issue of the Texas Register and were available for  
25 public comment until December 7. TWC received many public comments,  
which staff has reviewed and responded to, in the final rule preamble.

1 As a result of these comments, staff has modified the proposed rules  
2 to clarify policy intent for two sections. We modified section 809.16  
3 to clarify that boards maintain flexibility on how to spend their 2  
4 percent quality funds, and we modified 809.19 to clarify that if a  
5 parent receives a discounted parent copay for selecting part-time care  
6 but later switches to full-time care, the originally assessed parent  
7 copay will be applied. Staff seeks direction regarding the adoption  
8 of the chapter 809 rule amendments as included today's meeting  
9 notebook and published on the agency's website. Should the commission  
10 adopt these rules, staff requests the ability to make minor, non-  
11 substantive changes to the document in order to comply with  
12 publication requirements of the Texas Register and the office of the  
13 Secretary of State. And this concludes my remarks on this item, and  
14 I'm happy to answer any questions you have.

15 CHAIRMAN DANIEL: Any comments or questions?

16 COMMISSIONER ALVAREZ: No questions for Ms.  
17 Wilson.

18 COMMISSIONER DEMERSON: Chairman, (sounds like)  
19 I just continue, Allison, to appreciate you guys working with the  
20 stakeholders in terms of developing all of this (inaudible) back.

21 CHAIRMAN DANIEL: Is there a motion?

22 COMMISSIONER ALVAREZ: I move that we adopt  
23 chapter 809 rule amendments and the new sections relating to childcare  
24 services, as discussed by staff.

25 COMMISSIONER DEMERSON: Second.



1 during this month, January 2021; and deferring all other  
2 assessments from February through March and prioritizing  
3 assessments under the revised rules, as described in the  
4 discussion paper. This concludes my remarks on this item, and I  
5 am happy to answer any questions you have.

6 CHAIRMAN DANIEL: Any comments or  
7 questions?

8 COMMISSIONER ALVAREZ: None here, Chairman.

9 COMMISSIONER DEMERSON: None.

10 CHAIRMAN DANIEL: Do we have a motion here?

11 COMMISSIONER ALVAREZ: I move that we  
12 approve the TRS implementation plan, as presented by staff.

13 COMMISSIONER DEMERSON: I second.

14 COMMISSIONER ALVAREZ: It's been moved and  
15 seconded. We're unanimous. Agenda Item 17 has been postponed  
16 for a future meeting. Agenda Item 18, discussion,  
17 consideration, and possible action regarding an individual  
18 request to waive the childcare services rules under 40 TAC  
19 chapter 809.3(a) regarding Texas Rising Star minimum education  
20 requirements in 40 TAC chapter 809.134.

21 MS. WILSON: And once again, Allison Wilson  
22 with Childcare and Early Learning. TWC's childcare rule chapter  
23 809.3 allow any person directly impacted by the rules to request  
24 that the commission waive its rules. A Texas Rising Star mentor  
25 has submitted a request to waive the childcare rules under this

1 provision. Specifically, this individual has required that the  
2 commission waive section 809.134, which establishes the minimum  
3 education requirement for Texas Rising Star staff. In the  
4 individual's letter to the commission, she notes that she is  
5 submitting this request so she may maintain her position as a  
6 Texas Rising Star mentor while continuing to work toward the  
7 completion of her associate's degree in early childhood  
8 education. This individual was already provided with a two-year  
9 extension, as authorized under 809.134 to allow her to complete  
10 an additional 60 hours for her required education. Based on  
11 staff's review of the mentor's college transcripts, during 18  
12 months she only accrued nine college credit hours and was not on  
13 track to complete her degree within the two-year timeframe. The  
14 board has expressed concern regarding the length of time this  
15 waiver request has taken to consider. They noted that they  
16 needed sufficient time to issue a request for proposals and  
17 enter her into a contract for a new mentor, should this waiver  
18 not be granted. The childcare and early learning team has  
19 established new internal controls to ensure that any requests  
20 that are submitted henceforth are processed internally on a  
21 timely basis. We're also instituting changes to ensure that any  
22 future requests for an extension of educational requirements  
23 includes a plan noting how the individual will meet the  
24 educational requirements within the extension timeframe. Boards  
25 will also be required to monitor the educational progress of

1 staff granted extensions and to notify us if education plan  
2 needs to be modified. For this individual's request, staff  
3 recommends that in order to provide the board with time to  
4 procure and contract for a new mentor, the commission grant a  
5 temporary four-month waiver to allow the individual to continue  
6 serving as a Texas Rising Star mentor. And that concludes my  
7 remarks. I'm happy to answer any questions.

8 CHAIRMAN DANIEL: Any comments or  
9 questions?

10 COMMISSIONER ALVAREZ: No questions, but I  
11 do have a comment, Chairman.

12 CHAIRMAN DANIEL: Mm-hmm.

13 COMMISSIONER ALVAREZ: This individual has  
14 already been granted a two-year exemption to meet the educational  
15 requirements. At no point was she taking classes at a rate that would  
16 enable her to comply with rule 134 within a two-year period. A  
17 similar waiver request was made a couple of months ago by an  
18 individual employed by a different board. The board is responsible  
19 for finding qualified staff and complying with the program rules. It  
20 is the board's obligation to monitor its staff and contractors to  
21 ensure compliance with the rules. The board should have acted to find  
22 a qualified replacement when it became apparent that the individual  
23 would not be able to meet the educational requirements instead of  
24 waiting for a special exemption to be made. While I am reluctantly  
25 supporting this extreme limited waiver today, moving forward, I expect  
boards to comply with the rules and maintain qualified staff.

1 CHAIRMAN DANIEL: Other questions or comments?

2 COMMISSIONER DEMERSON: None here.

3 CHAIRMAN DANIEL: Do we have a motion here?

4 COMMISSIONER ALVAREZ: Yes. I move that we  
5 grant this individual a temporary four-month waiver of educational  
6 requirements of 40 TAC 809.134.

7 COMMISSIONER DEMERSON: Second.

8 CHAIRMAN DANIEL: Okay. I wanna be shown as  
9 voting no. I actually agree with Commissioner Alvarez's concerns. I  
10 think there were mistakes all the way around. I understand  
11 Commissioner Alvarez's position and his desire to move things forward,  
12 but I think he hit the nail right on the head in terms of (inaudible)  
13 and understanding how these things work. It's a regrettable situation  
14 all the way around, I think, and--well, there, I've said my piece.  
15 But I think we have a majority vote here. Is that correct, gentlemen?  
16 Right, motion carries.

17 COMMISSIONER ALVAREZ: Thank you, Chairman.

18 CHAIRMAN DANIEL: This is Agenda Item 19, 2020  
19 TWC annual report, discussion, consideration, and possible  
20 action on the submission of the 2020 Texas Workforce Commission  
21 annual report to the governor and the legislature pursuant to  
22 Texas labor code section 301.065.

23 MS. HESSION: Good morning, Chairman  
24 Daniel, Commissioner Alvarez, Commissioner Demerson, and Mr.  
25 Serna. For the record, Margaret Hession, director of

1 communications. You have before you TWC's 2020 annual report to  
2 the governor and Texas legislature for your consideration and  
3 approval. I am requesting your approval of the TWC 2020 annual  
4 report, with your permission to make any technical corrections  
5 or further revisions today, as necessary. I'm also prepared to  
6 answer any questions, receive further edits or direction you  
7 have at this time. Thank you.

8 CHAIRMAN DANIEL: Any comments or  
9 questions?

10 COMMISSIONER ALVAREZ: I have comments,  
11 Chairman.

12 CHAIRMAN DANIEL: Yeah.

13 COMMISSIONER ALVAREZ: Chairman, I just  
14 wanted to thank my fellow commissioners, staff, Margaret,  
15 (sounds like) Sisco, Tom, everyone on the team, for putting such  
16 a great report together. As you know, we use this report as we  
17 meet with legislators so that they can be updated on some of the  
18 successes the agency has had, and of course some of the  
19 challenges that we face. So I just wanted to take this  
20 opportunity to thank everyone for their input and the  
21 information that was actually--it's up-to-date information that  
22 was actually put in the report. So, thank you for that.

23 MS. HESSION: Thank you.

24 COMMISSIONER DEMERSON: Margaret, good job  
25 and I have a few things on here, but they're not anything that



1 we need to discuss out loud. They're not anything substantive  
2 (inaudible). So good job (inaudible)--

3 MS. HESSION: (Inaudible) thank you.

4 CHAIRMAN DANIEL: (Inaudible) I have a  
5 couple things. So, the numerical data on pages two through  
6 four--

7 MS. HESSION: (Inaudible)

8 CHAIRMAN DANIEL: --(inaudible) consider a  
9 more logical end date to that? At this point, we have data  
10 through the end of the calendar year. That might (inaudible) a  
11 fuller picture of what's been going on here, rather than the end  
12 of the fiscal year. Take a look at that and see if that's  
13 uncomplicating. I would encourage us to use just a little more  
14 logical end date on the data. I did note some typographical  
15 errors throughout the report. I'm confident that you guys will  
16 find those and iron those out before this is (inaudible)  
17 published. On page 54, the trust fund chart, I think there's a  
18 2 missing in the revenues for FY 2020. (Inaudible) puts the map  
19 off by about \$20 million. I would (inaudible) fix that before  
20 we go to final publication.

21 MS. HESSION: Thank you, Chairman, and we  
22 will make those typographical error revisions on page 54. And  
23 then with respect to pages two to four on the data, my  
24 understanding is we're gonna run it to the end of the calendar

25

1 year as opposed to the fiscal year (inaudible) ending November  
2 7. It currently ends (inaudible) now.

3 CHAIRMAN DANIEL: Okay. Any additional  
4 comments or questions?

5 COMMISSIONER ALVAREZ: Chairman, good  
6 points, and I also agree with the recommendations you made.

7 CHAIRMAN DANIEL: Thank you. Do we have a  
8 motion here?

9 COMMISSIONER ALVAREZ: I move that we  
10 approve the 2020 TWC annual report for submission to the  
11 governor and legislature.

12 COMMISSIONER DEMERSON: Second.

13 CHAIRMAN DANIEL: I agree, so we're  
14 unanimous. Thank you.

15 MS. HESSION: Thank you, commissioners.

16 CHAIRMAN DANIEL: I'm showing that staff  
17 does not have anything under Agenda Item 20. Do we have  
18 anything under Agenda Item 21, Mr. Serna?

19 MR. SERNA: Yes, sir, we've got three  
20 updates for you from Clay, and then Reagan and Cheryl.

21 MR. COLE: Good morning, Chairman Daniel,  
22 Commissioner Alvarez, Commissioner Demerson, Mr. Serna. For the  
23 record, Clay Cole, Unemployment Insurance Division. And happy  
24 2021. I'm gonna give you a quick UI update. UI's working hard  
25 and strategically with IT and external relations on implementing

1 the Continuous Assistance Act changes and customer outreach  
2 tasks. Over the weekend, teams modified over 1.1 million  
3 current active benefit claims, allowing customers to begin  
4 transition into the new extensions. And please note we began  
5 issuing federal pandemic unemployment compensation payments, the  
6 FPUC payments, yesterday, and paid out over 44 million in the  
7 first two days, and this is the \$300 per week payment alone. We  
8 do have roughly 140,000 claimants that exhausted benefits  
9 between October and December that we are working on  
10 transitioning over to benefit from the extensions, which  
11 requires additional attention because of the potential  
12 employment and decisions required in between the gap of the last  
13 payment and December 27, 2020, when the Continuous Assistance  
14 Act began. We hope to have these claims updated in the coming  
15 weeks, and that is really our priority now, is to get those  
16 individuals transitioned over that are eligible. Granted, there  
17 will be some of those that have returned to work and may not  
18 still be unemployed, and so we're working through those as soon  
19 as possible. Reminder, January is always one of our busiest  
20 months for all call centers being--because it's a change of  
21 quarter month, and also our 1099 distribution. This year we'll  
22 be distributing 2.93 million 1099s to claimants this January.  
23 Texas did finalize the agreement with the Department of Labor  
24 for the new mixed earners unemployment compensation program last  
25 week. We're still awaiting guidance from the Department of

1 Labor regarding the requirements of this completely new program  
2 that provides an additional \$100 per week for individuals on  
3 regular or pandemic emergency unemployment compensation  
4 benefits. Not PUA--I wanna make this clear. Individuals on  
5 pandemic unemployment assistance are not eligible. It's just  
6 the regular-type programs. These individuals will need to  
7 provide self-employment proof of a separate job, with earnings  
8 of 5,000 or more for an annual period. And there's more  
9 information to come on this. Right now, we don't have a  
10 timetable of exactly when this will be implemented. We're  
11 working with IT and also still awaiting guidance, and we'll be  
12 coming back to you with an update as soon as possible. UI teams  
13 are working on scheduling briefings the next couple of weeks to  
14 lay out plans on a couple UI tax rate components that the  
15 commission has (sounds like) discretion to discuss and set. We  
16 plan to bring forth the discussion papers early as January 19,  
17 2021, but we'll be meeting with you in the coming weeks, as  
18 early as this week. Finally, I also wanna just thank all our  
19 volunteers, both inside, outside the division, who have helped  
20 us serve so many customers. Without their help, these  
21 milestones would not have been reached and thousands of Texans  
22 could not have been provided assistance. So with this kind of  
23 teamwork, with TWC and the citizens of Texas, we'll overcome  
24 this pandemic. And this concludes my update, and I'll be happy  
25 to answer any questions you might have.

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CHAIRMAN DANIEL: Any question?

COMMISSIONER ALVAREZ: I just wanted to take this opportunity to thank Clay. He's heard this in the past. Clay, I'm gonna take this opportunity. As you know, I think we're all in agreement that we wanted to extend our sincere thanks to you and your team, those individuals that are answering phone calls every day of the week, with the exception of Thanksgiving. I think it's important that we disseminate that information to the folks listening in. We work really hard, and we have challenges that we come across all the time. I thank your team, I thank what the agency has done to address those concerns, and it's certainly relevant and I think we've done a really good job. We continue to improve. We learned from the first phase. So, thank you for that. You know, the information that you provide to the offices on a daily basis is certainly--it's great information, and that's information that we're able to share with our constituents as we talk to them. Nothing's perfect, but we try our very best. So, thank you for that. And I just wanted to take this opportunity, and I think, like I said, we're all in agreement that the volunteers that you referenced, those individuals that answer the calls on a daily basis, working evenings and weekends when many people are off, you know, we can't let them go unnoticed that the agency's done a really good job. And then, of course, IT and all the other things. So, thank you for providing us with updates and working so closely with the other directors and our

1 executive directors, and keeping our offices informed of any changes  
2 and updates. So, thank you. I just wanted to take this opportunity.

3 MR. COLE: You're welcome, Commissioner  
4 Alvarez. Thank you.

5 COMMISSIONER DEMERSON: Chairman, I'd like to  
6 also concur with Commissioner Alvarez. Clay, (sounds like) LaShea,  
7 Chris, that entire team. You guys are knocking it out. And of course  
8 (inaudible) so Ed, thank you for what you're doing in that regard. So  
9 I wanna overemphasize, and you guys have heard me say this over and  
10 over, but over-communicate is the goal. I think there's (inaudible)  
11 opportunity that we don't take advantage of to make sure that we're  
12 communicating the word out. Because I'm referring folks to our  
13 website, I'm referring them to different things, and I'm telling them  
14 that our agency will be communicating with them on an ongoing basis.  
15 And so, that's my message--over-communicating. Because if the  
16 information's out there, we all succeed in that regard. But good job  
17 (inaudible).

18 CHAIRMAN DANIEL: Thank you (inaudible). Other  
19 questions or comments? Great.

20 MR. SERNA: We have Reagan Miller for a  
21 childcare update.

22 MS. MILLER: Thanks, Ed, and good morning,  
23 Chairman and commissioners. Reagan Miller with the Childcare and  
24 Early Learning Division, and today I wanna provide you with an update  
25 on some recently enacted federal legislation that included a  
significant increase in COVID-related funding for the childcare

1 development lot grant. This legislation did include \$10 billion in  
2 CCDBG funds, and while the Administration for Children and Families  
3 Office of Childcare has not yet released the official state-by-state  
4 allotment amounts, a national childcare organization has developed  
5 their own estimates, noting that Texas should receive just over \$1  
6 billion. In a call yesterday, the Office of Childcare said that they  
7 would be issuing guidance to the states very soon. States are  
8 required to submit a planned use of funds report within 60 days of the  
9 enactment of the legislation, so we should have a plan due around  
10 February the 25. The Office of Childcare did note that these are very  
11 flexible funds intended to help states address the impacts of  
12 childcare, but there are a few specific requirements in the  
13 legislation that I did wanna highlight. First, there are non-  
14 supplantation provisions; second, we must use a portion of the funds  
15 to support all regulated childcare providers, not just those who have  
16 historically participated in the subsidies system. And these funds  
17 are for the purposes of cleaning and sanitation and other activities  
18 necessary to maintain or resume the operations of programs, including  
19 for fixed-cost and increased operating expenses. And finally, we must  
20 widely publicize and provide technical assistance on how we will make  
21 these funds available to support the stability of the childcare sector  
22 to offset increased operating expenses. I did wanna point out that as  
23 of the end of December we had over 14,000 regulated open childcare  
24 providers. So, as we're considering our implementation strategies, we  
25 need to be mindful of the impact of the workload and the heavy lift  
that we'll have to undertake to enter into these types of contractual

1 agreements with 14,000 entities across the state. We'll say that we  
2 have until September 30, 2022 to obligate the funds, and then we have  
3 another year until September 20, 2023, to spend the funds. Of course,  
4 we'll be working closely with each of your offices as we develop  
5 strategies around the proposed uses of these funds. So, those are my  
6 updates for today.

7 CHAIRMAN DANIEL: Thank you. Any questions or  
8 comments?

9 COMMISSIONER ALVAREZ: No. Thank you, Reagan,  
10 for keeping the offices so briefed on and updated on the information.  
11 I know it changes every day, because I know you're having  
12 conversations every day. And thank you for working so closely with  
13 our childcare providers, and for what you do, and again, for sometimes  
14 thinking outside the box in some of the initiatives that you put  
15 forth. I thought I'd take this opportunity to thank you for that.

16 MS. MILLER: Yes, sir, thank you.

17 COMMISSIONER ALVAREZ: And just keep up the  
18 great work. Keep up the great work.

19 COMMISSIONER DEMERSON: (Inaudible) a heavy  
20 lift (inaudible) are there any administrative dollars tied to that  
21 billion that's coming out?

22 MS. MILLER: In the legislation, the 5 percent  
23 administrative cap remains, but all of the other set-asides are not  
24 there, so the funds are really available to the state to budget in  
25 whatever way they feel best meet their needs. But that 5 percent  
admin limitation remains in place.



1 COMMISSIONER DEMERSON: Remains. Okay. All  
2 right, sounds good, thanks.

3 MS. MILLER: Yes.

4 CHAIRMAN DANIEL: All right, thank you so much.

5 MR. SERNA: And then one final update from  
6 Cheryl Fuller.

7 MS. FULLER: Good morning, Mr. Chairman,  
8 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For the  
9 record, Cheryl Fuller, Vocational Rehabilitation Division. This  
10 meeting (inaudible) would like to provide a brief update on recently  
11 passed federal legislation. The Consolidated Appropriations Act of  
12 2020 passed by Congress and subsequently signed by the president on  
13 December 27 includes an appropriation of \$20 million for the Randolph  
14 Sheppard program, which in Texas we call our Business Enterprises of  
15 Texas program. The purpose of this funding is one-time financial  
16 relief and restoration grants to blind vendors, (sounds like) RBET  
17 managers. Most of the details of how this funding will be  
18 distributed to states are pending as we await guidance from the  
19 Rehabilitation Services Administration and the U.S. Department  
20 of Education. But based on the language in the Appropriations  
21 Act, we do know the following. First is the funds can only go  
22 to vendors, or BET managers that were operating BET facilities  
23 as of September 30, 2019. As of that date, our BET program had  
24 100 vendors. States must use this funding to make payments to  
25 offset losses of blind vendors that occurred during calendar

1 year 2020, but only to the extent that those losses were not  
2 otherwise compensated. If there are funds remaining after these  
3 payments to vendors, states may use the funds for other purposes  
4 authorized under the federal regulations for the Randolph  
5 Sheppard program, but (inaudible) determinations about how to  
6 use that excess funding with the active participation of the  
7 state committee of blind vendors, which we call our elected  
8 committee of managers. The funds are available to the secretary  
9 until September 30 of this year, and I will keep you apprised as  
10 we receive guidance from RSA. That concludes my presentation,  
11 and I'd be happy to answer any questions.

12 CHAIRMAN DANIEL: Any questions?

13 COMMISSIONER ALVAREZ: None at this time,  
14 Chairman.

15 COMMISSIONER DEMERSON: No questions, thank  
16 you. Thanks, Cheryl.

17 CHAIRMAN DANIEL: All right, thank you.

18 MS. FULLER: thank you.

19 MR. SERNA: That's it for the updates under  
20 this Agenda Item, Mr. Chairman.

21 CHAIRMAN DANIEL: Thank you very much.  
22 Agenda Item 22, discussion, consideration and possible action  
23 regarding approval of local workforce development board  
24 nominees.

25 MR. SERNA: Shunta, you're muted.

1 Ms. WILLIAMS: Okay. Can you hear me now?

2 MR. SERNA: Yes, ma'am.

3 MS. WILLIAMS: Okay, thank you. Good  
4 morning and happy New Year, Chairman Daniel, Commissioner  
5 Alvarez, Commissioner Demerson, and Mr. Serna. For the record,  
6 Shunta Williams with the Workforce Development Division. And  
7 before you for consideration are workforce board nominations for  
8 Workforce Solutions Alamo and East Texas. And staff recommends  
9 that all nominees be approved, and I'm here to answer any  
10 questions you may have.

11 CHAIRMAN DANIEL: Any questions or  
12 comments?

13 COMMISSIONER ALVAREZ: None here, Chairman.

14 COMMISSIONER DEMERSON: None here.

15 CHAIRMAN DANIEL: Do we have a motion?

16 COMMISSIONER ALVAREZ: I move that we  
17 approve the board nominees for Alamo and East Texas.

18 COMMISSIONER DEMERSON: I second the  
19 motion.

20 CHAIRMAN DANIEL: It's been moved and  
21 seconded. We're unanimous, thank you.

22 MS. WILLIAMS: Thank you.

23 CHAIRMAN DANIEL: Let's see, Agenda Item  
24 23, legislative proposals. I don't think we have anything here.  
25

1 MR. SERNA: No, sir, we don't have anything  
2 under legislation and I have nothing under executive director's  
3 report to be preempted.

4 CHAIRMAN DANIEL: Well, is there any other  
5 order of business that should come before the commission?

6 MR. SERNA: None from me, sir.

7 CHAIRMAN DANIEL: None? Well, again, happy  
8 New Year to everyone. 2021 promises to be another interesting  
9 year starting out, but we've got a lot of initiatives in play  
10 and working, we've got some things on the horizon that we'll be  
11 working on. And so I envision another fairly active year in  
12 terms of us being innovative and how we can assist folks that  
13 are looking for a job, folks that are trying to improve their  
14 job, and certainly people that are upskilling and reskilling.  
15 I'm looking forward to bringing together our statewide workforce  
16 strategy into the conversation so that we can continue to talk  
17 about that. So, for all those that have wished us a happy New  
18 Year today, happy New Year to you, happy New Year to the folks  
19 who are watching at home. Commissioners, anything additional?

20 COMMISSIONER ALVAREZ: Chairman, I look  
21 forward to a great 2021 year with all of us, with everyone  
22 that's online, everyone that works for the agency. Take this  
23 opportunity to thank everyone for the great work that they've  
24 done. I am truly blessed to work for a great agency like the  
25 Texas Workforce Commission. I'd also like to acknowledge and

1 congratulate Joel Mullins for the recent new position that he'll  
2 be having with the agency. I think he was a great selection,  
3 and I'm looking forward to continue working with him in his new  
4 capacity.

5 COMMISSIONER DEMERSON: Well, team, happy  
6 2021. This is the Year of the Cow. (Inaudible) agriculture,  
7 that's something--Texas is a big ag state, so (inaudible) ag  
8 industry there.

9 CHAIRMAN DANIEL: A little bit.

10 COMMISSIONER DEMERSON: Happy 2021.

11 CHAIRMAN DANIEL: All right, do we have a  
12 motion to adjourn?

13 COMMISSIONER ALVAREZ: Chairman, I move  
14 that we adjourn.

15 COMMISSIONER DEMERSON: I second that  
16 motion.

17 CHAIRMAN DANIEL: It's been moved and  
18 seconded to adjourn. It's unanimous, and we're adjourned.

19 COMMISSIONER ALVAREZ: Have a good day,  
20 everyone.

21 COMMISSIONER DEMERSON: (Inaudible) guys.  
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