



**MEETING OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**NOVEMBER 2, 2021**

1 TUESDAY, NOVEMBER 2, 2021

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: Good morning, commissioners.  
6 Les Trobman, general counsel. We have one individual who would  
7 want to provide public comments, and then two later on during  
8 item 15. So, this morning we have Robin Harrison. Ms. Harrison,  
9 if you're there, go ahead and unmute yourself.

10 COMMISSIONER ALVAREZ: Thank you very much.

11 MR. TROBMAN: All right, it doesn't appear  
12 that Ms. Harrison has joined, so we'll catch up a little later  
13 on, thanks.

14 CHAIRMAN DANIEL: All right, thank you much.  
15 Good morning, Ms. Miller.

16 MS. MILLER: Good morning, sir.

17 CHAIRMAN DANIEL: How are we today?

18 MS. MILLER: Very well, thank you.

19 CHAIRMAN DANIEL: Well, thank you. This  
20 brings us to the end of Agenda Items 3 through 7. We're gonna  
21 take a short break while we get set up for the rest of the  
22 meeting. All right, let's come back into session. Mr. Trobman,  
23 we have a public commenter.

24 MR. TROBMAN: Yes, we have one public  
25 comment now, and two for item 15. Ms. Harrison is here. Ms.

1 Harrison, if you're able to unmute yourself, introduce yourself  
2 for the record, and go ahead.

3 ROBIN HARRISON: Yes, are y'all able to hear  
4 me?

5 MR. TROBMAN: Yes, we are.

6 ROBIN HARRISON: Okay. My name is Robin  
7 Harrison, and if you review my account, I've had several  
8 different appeals of--since November of last year, and some of  
9 those appeals have gotten comingled where I may have requested  
10 an appeal and then also asked for consideration of the  
11 overpayment, if it would be a hardship. And I had a hearing that  
12 had been pending since November--two that were pending since  
13 November 30 last year, and I've had others that came up  
14 afterwards, and just last week--well, the week of the 15th, I  
15 had two hearings in one day, and the second--this was around the  
16 one for November 30, and the second one that I should have had  
17 about the hardship, I didn't have that hearing, and I believe  
18 one of the reasons that hearing has not been scheduled is from  
19 May all the way up until June they collected the overpayment  
20 from me at \$425 without me even having had the hearing. So then  
21 why would you need to consider the hardship if you already  
22 collected the money from me, which is a procedural issue? And I  
23 have discussed this with different people in the appeals  
24 department, so they were aware of it, and it's very frustrating  
25 to me how things are manipulated. I have received a letter

1 saying I owed nothing else to TWC, which means if I have--if I  
2 owe--don't owe anything, does that mean that I would get my  
3 money back that I paid that was collected from me, along with my  
4 weekly payment, from my weekly payment. And the hearing officer  
5 did not take in consideration some of the things that I told him  
6 during the hearing, and being in Harris County, where we had a  
7 disaster before the pandemic, they don't take into consideration  
8 that if you have a disaster and you're getting [inaudible]  
9 unemployment and then they move you to disaster, then they have  
10 more money for [inaudible] unemployment. It was, like, going  
11 back and forth. And a lot of time, when I just filed my claim, I  
12 did not know what I was going to be put under. So, it wasn't  
13 like I filed a false claim. But no one is taking in  
14 consideration that if you already are in a situation with a  
15 disaster and then there comes the pandemic, will I be [sounds  
16 like] whole already because of the pandemic? You know, now that  
17 the pandemic is here, would that change my situations, you know?  
18 And so, the same issue that I had being able to work during the  
19 disaster with Imelda was the same thing I was experiencing with-  
20 -the same thing I was experiencing when they had the pandemic.  
21 In fact, while we were still getting disaster unemployment, they  
22 reduced our work requirement because of the pandemic. And so, it  
23 overlapped, and that's something unique that we have in our  
24 region that everybody did not experience. And so, the  
25 implication that oh, because you already had this or you already

1 had this going on, I still was not able to go to work. It was  
2 not like once the disaster, it was the--Imelda time went away.  
3 It wasn't like, okay, I can just go back to work and there's no  
4 problem. I had the same issue anybody else had all around the  
5 world when it came down to the pandemic. But that's a whole  
6 different issue, because the Department of Labor made that out.  
7 But the practice of taking the money from me before I have a  
8 hearing, and then telling me oh, that's something that you can  
9 do, then why would you wait so long to take it from me and get  
10 it at the very end, when the pandemic is almost--pandemic  
11 unemployment is about to go away? And I have held off coming to  
12 these meetings and everything about what's going on, trying to  
13 give them a chance to make it right, and to have a hearing over-  
14 -we have an overpayment over \$400-some, and then switch channels  
15 on the second hearing and have it about a \$10 issue, why would I  
16 be concerned about \$10 and not be concerned about the \$420-some  
17 dollars? And that hearing is still showing active. I've never  
18 had that hearing, yet they took the money from me and made a  
19 decision that I shouldn't--that, you know, that's an  
20 overpayment, and it still stands. And when you know what's going  
21 on, I was told that I had to do ID Me to get a hearing. I did ID  
22 Me twice. Finally, I got beyond that, then I finally get the  
23 hearing, and then they skipping over hearings and allowing other  
24 hearings to be put in place of it, and they're refusing to

1 acknowledge that they took the money from me before I ever had a  
2 hearing. And if that's legitimate, where is it in the policy?

3 MR. TROBMAN: Ms. Harrison?

4 ROBIN HARRISON: Yes?

5 MR. TROBMAN: I understand that our  
6 unemployment insurance director is currently reviewing your  
7 account, and will be reaching out to you after this meeting. Any  
8 other comments to provide to the commission at this time? We do  
9 have two commenters that will be coming up on item 15.

10 CHAIRMAN DANIEL: Thank you. All right, this  
11 is Agenda Item 8, policy concept chapter 854, Business  
12 Enterprises of Texas.

13 MS. HINOJOSA: Good morning. Good morning,  
14 Chairman Daniel, Commissioner Alvarez, Commissioner Demerson,  
15 and Mr. Serna. For the record, my name is Lizet Hinojosa with  
16 vocational rehabilitation division. Commissioners, before you  
17 today for your consideration for approval is a policy concept  
18 relating to potential rule amendments to chapter 854, Business  
19 Enterprises of Texas. On May 21, 2019, the Texas Workforce  
20 Commission adopted rules in 40 TAP chapter 854 relating to the  
21 Business Enterprises of Texas. On May 23, 2019, TWC submitted  
22 revised BET program rules to the Rehabilitation Services  
23 Administration for approval. The Randolph Sheppard Act requires  
24 rules governing the BET program first to be reviewed and  
25 approved by RSA before becoming effective. The federally

1 mandated BET-elected committee of managers agreed with the  
2 revisions and communicated support to RSA via email on May 24,  
3 2019. The revised program rules included 12 changes requested by  
4 the ECM, and conforming changes to incorporate BET rules and to  
5 TWC administrative rules in 40 TAC part 20, following transfer  
6 of the program to TWC from Legacy Texas Department of Assistive  
7 and Rehabilitative Services. The BET program rules adopted by  
8 TWC went into effect on September 1, 2019. However, RSA had not  
9 returned the approval of the rules by that date. On April 22,  
10 2020, RSA responded to TWC's May 2019 submission offering  
11 comments, questions, and required changes related to the revised  
12 BET program rules. The required changes included provisions that  
13 were not revised by TWC in the May--I'm sorry, in the 2019  
14 submission, and that were previously approved by RSA. The  
15 information presented by RSA was supplied to the ECM, and the  
16 ECM agreed with the RSA changes in May of 2021. TWC sought  
17 clarification from RSA about the specific adjustments required  
18 to obtain approval of the revised rules, as submitted. Upon  
19 gaining a better understanding of the requirements and making  
20 adjustments to comply, RSA approved the revised rules on  
21 November 16, 2020. The ECM was notified that the RSA had  
22 approved the rules, with some required adjustments. The purpose  
23 for this proposed rule is to amend the BET program rules in  
24 chapter 854 to incorporate the changes that were approved by  
25 RSA. The BET program rules and chapter 854 are not the approved

1 rules by RSA in November of 2020. The rules in chapter 854  
2 require amendments to incorporate the revisions approved by RSA  
3 and bring the BET program rules into compliance with the  
4 Randolph Sheppard Act. Some of the revisions approved by RSA  
5 include the addition of definitions for agency and BRD director;  
6 addition of the option to communicate through email; revision of  
7 the requirement that applicants, licensees, and managers be  
8 residents of Texas to instead require that those individuals be  
9 physically present in Texas; and clarification the ECM will  
10 actively participate in setting price ranges for prices charged  
11 in facilities. Staff seeks direction on amending chapter 854 to  
12 incorporate relevant revisions as required by RSA and approved  
13 in November of 2020. This concludes my presentation, and I am  
14 available for any questions that you may have.

15 CHAIRMAN DANIEL: Any comments or questions?

16 COMMISSIONER ALVAREZ: Thank you, Ms.

17 Hinojosa, for the presentation.

18 COMMISSIONER DEMERSON: None here.

19 CHAIRMAN DANIEL: Do we have a motion?

20 COMMISSIONER ALVAREZ: Chairman, I move that  
21 we approve the policy concept for amending chapter 854 regarding  
22 Business Enterprises of Texas, as discussed by staff, and post  
23 the policy concept to the TWC website for public comment.

24 COMMISSIONER DEMERSON: Second.

25



1 CHAIRMAN DANIEL: It's been moved and  
2 seconded. We're unanimous. Thank you.

3 MS. HINOJOSA: Thank you.

4 CHAIRMAN DANIEL: This is Agenda Item 9,  
5 policy concept chapter 800, general administration rule.

6 MR. WHITE: Good morning, Chairman Daniel,  
7 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For  
8 the record, I'm Jerry White, human resources director here at  
9 TWC. Before you today for consideration for approval is a policy  
10 concept relating to rule-making for chapter 800, general  
11 administration. Senate bill 248 from the 73rd Texas legislative  
12 session in 1993 added Texas government code 661 to 66108, which  
13 established the sick leave pool that we're not using here at the  
14 agency. The sick leave pool provides eligible employees with  
15 additional paid sick leave and documented cases of catastrophic  
16 illness or injury to the employee or to the employee's immediate  
17 family member. In the last legislative session, house bill 2063  
18 added Texas government code 661 to 661028, which establishes a  
19 family leave pool. The family leave pool provides eligible  
20 employees with the ability to apply for leave and more  
21 flexibility in bonding with and caring for a child in its first  
22 year of birth, adoption, or foster placement. And also providing  
23 an additional safety net for caring for ill family members of  
24 the employee, including pandemic-related illnesses or  
25 complications caused by the pandemic. Both bills require TWC to

1 adopt rules and prescribe procedures relating to the operation  
2 of the sick and family leave pools. Staff is seeking--seeks  
3 direction and approval of amending chapter 800 and implementing  
4 senate bill 248 and house bill 2063.

5 CHAIRMAN DANIEL: Are there any comments or  
6 questions?

7 COMMISSIONER ALVAREZ: I'd just like to say  
8 nice seeing you again, Jerry.

9 MR. WHITE: Nice seeing you, sir.

10 COMMISSIONER DEMERSON: Mr. Chairman, I  
11 think our team visited with Jerry and Les in regards to this  
12 being from 1993, and I know they've assured me that we are on  
13 top of all those outstanding rules.

14 CHAIRMAN DANIEL: Do we have a motion?

15 COMMISSIONER ALVAREZ: Chairman, I move that  
16 we approve the policy concept for the amendments to chapter 800,  
17 general administration, to implement rules for sick and family  
18 leave pools, as discussed by staff.

19 COMMISSIONER DEMERSON: Second.

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

22 MR. WHITE: Thank you.

23 CHAIRMAN DANIEL: This is Agenda Item 10, a  
24 discussion paper on a second chance event.

25 MS. YORK: Good morning.

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COMMISSIONER DEMERSON: Morning.

MS. YORK: Good morning, Chairman Daniel, Commissioner Alvarez, Commissioner Demerson. For the record, Mary York. I'm Mary York with the outreach and employer initiatives division. Commissioners, before you today for your consideration and potential approval is a discussion paper relating to the potential use of funds donated by the IKEA U.S. Community Foundation. On October 31, 2021, Commissioner Alvarez requested that OEI staff explore utilizing IKEA funds to host a second-chance roundtable event for employers, economic development corporations, and training providers. The purpose of this event would be to provide information to employers about the value of hiring second-chance individuals to fill gaps in their workforce caused by the COVID-19 pandemic. Staff has researched the ability to plan and conduct such an event, and we believe the following items would be needed to be included in the budget: Venue costs, promotional and outreach materials, and light refreshments. We anticipate that these expenses would not exceed \$50,000. Therefore, staff seeks direction on using up to \$50,000 of the remaining IKEA funds to plan, promote, and hold the proposed event on employing second-chance individuals. This concludes my presentation, and I'm available for questions.

CHAIRMAN DANIEL: Thank you. Any comments or questions?

1 COMMISSIONER ALVAREZ: Chairman, I do have  
2 some comments, and then I do have a few questions I'd like to  
3 ask Mary and staff. On August 31, 2021, I asked staff to explore  
4 utilizing the remaining IKEA funds to host a second-chance  
5 reentry roundtable event, and invite employers, economic  
6 development corporations, and training providers. The purpose of  
7 the conference would be to provide information to employers  
8 about the value of hiring second-chance individuals and  
9 utilizing tax credits, fidelity bonding, and training  
10 opportunities behind bars. This conference will benefit  
11 employers and training providers by providing information  
12 regarding incentives and the value of hiring our second-chance  
13 population. In a landscape where there are more job openings  
14 than there are people to fill these jobs, everyone is needed to  
15 support industry and economic growth. So, a couple of questions,  
16 Mary, and I think you may have answered some of them. So, it is  
17 my understanding that we do not need to use the entire IKEA  
18 balance that we had.

19 MS. YORK: Correct.

20 COMMISSIONER ALVAREZ: Great. That was one.  
21 The other one is do we at least have 50,000 set aside for this?

22 MS. YORK: Upon commission approval, yes.

23 COMMISSIONER ALVAREZ: Great. And could we  
24 look into late spring/early summer timeframe for the conference?

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1 MS. YORK: Yes, we would work very closely  
2 with our conference planning team to secure a location and set  
3 everything up for that timeframe.

4 COMMISSIONER ALVAREZ: I'd also like to take  
5 this opportunity to thank you and your staff for the briefing  
6 and discussion paper, and the visits we've had regarding this  
7 important issue, or this initiative, and I'd also like to thank  
8 Julie and her team for helping you out on this important  
9 initiative. That's all I have.

10 COMMISSIONER DEMERSON: [Inaudible] on this  
11 initiative, I look forward to--it says you're inviting  
12 employers. I look forward to working with Mary and the team in  
13 regards to employers participating in this worthwhile event.

14 CHAIRMAN DANIEL: Do we have a motion?

15 COMMISSIONER ALVAREZ: Chairman, I move that  
16 we make available up to \$50,000 of the remaining IKEA funds to  
17 plan, promote, and hold the roundtable event on employing  
18 second-chance individuals, as discussed.

19 COMMISSIONER DEMERSON: Second.

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

22 MS. YORK: Thank you.

23 CHAIRMAN DANIEL: Thank you. This is Agenda  
24 Item 11, late refund penalty rate for career schools and  
25 colleges discussion paper.

1 MS. BALLAST: Good morning, Chairman Daniel,  
2 Commissioner Alvarez, Commissioner Demerson, and Mr. Serna. For  
3 the record, Kerry Ballast, workforce development division. Texas  
4 education code section 132.061(e) requires a career school or  
5 college to pay student refunds within a 60-day period. Failure  
6 to do so requires the career school or college to pay a late  
7 refund penalty. That section also requires that the commission  
8 annually establish a late refund penalty rate at a level  
9 sufficient to act as a deterrent to the retention of refunds.  
10 The current rate of 250 percent has proven to be an effective  
11 deterrent and encourages career schools and colleges to pay  
12 student refunds within the required timely manner. So, at this  
13 time, staff seek direction on the establishment of the late  
14 refund penalty rate for the calendar year 2022, requesting that  
15 it remain at the current annual rate of 250 percent. That  
16 concludes my remarks. I'm happy to answer any questions.

17 CHAIRMAN DANIEL: Any comments or questions?

18 COMMISSIONER ALVAREZ: Thank you, Kerry, for  
19 the report.

20 COMMISSIONER DEMERSON: None here.

21 CHAIRMAN DANIEL: Do we have a motion?

22 COMMISSIONER ALVAREZ: Chairman, I move that  
23 we approve the penalty rate for late refunds at the current  
24 annual rate of 250 percent.

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1 COMMISSIONER DEMERSON: What was that  
2 motion, Commissioner Alvarez?

3 COMMISSIONER ALVAREZ: Oh. I move that we  
4 approve the penalty rate for late refunds at the current annual  
5 rate of 250 percent.

6 COMMISSIONER DEMERSON: I second.

7 CHAIRMAN DANIEL: It's been moved and  
8 seconded. We're unanimous. Thank you.

9 MS. BALLAST: Thank you.

10 CHAIRMAN DANIEL: This is Agenda Item 12,  
11 fiscal year 2022 JET advisory board recommendations, a  
12 discussion paper.

13 MR. SNIADOCKI: Good morning, Chairman  
14 Daniel, Commissioner Alvarez, Commissioner Demerson, Mr. Serna.  
15 For the record, my name is Matt Sniadecki with the education  
16 outreach office, outreach and employer initiatives division. For  
17 you today for your condition is possible action regarding the  
18 advisory board recommendations concerning program funding and  
19 parameters, the JET program fiscal year 2022. It's good to see  
20 everyone again. After speaking with TEA last week and getting  
21 further clarification on the parameters of the IAC and the \$50  
22 million being transferred, we have learned that funds are being  
23 transferred as state funds, and not federal dollars. Therefore,  
24 the eligibility of the Wyndham School District to participate  
25 under these funds is no longer in question, as they are eligible

1 for the state funds. With this new information available, staff  
2 seeks direction and commission approval of the advisory board's  
3 original recommendations from the September 30 advisory board  
4 meeting. And I--

5 CHAIRMAN DANIEL: Read those recommendations  
6 for me.

7 MR. SNIADOCKI: Yes, sir. The first  
8 recommendation is regarding funding allocation. This would be  
9 allocating 100 percent of the general revenue for IHE  
10 applications, with the flexibility to move to charter schools  
11 and school districts should insufficient qualifying applications  
12 be received from IHEs, the second being the minimum and maximum  
13 grant amount. These would be 40,000 and 350,000 for IHE  
14 applications, and 40,000 to 750,000 for open-enrollment charter  
15 schools and school districts. The third would be maintaining the  
16 minimum 50-point threshold, and the fourth would be the maximum  
17 grants per eligible entity, IHEs receiving two applications, and  
18 open-enrollment charter schools and school districts receiving  
19 three applications.

20 CHAIRMAN DANIEL: Thank you.

21 MR. SNIADOCKI: And that's the end of my  
22 presentation, and I'm happy to answer any questions.

23 CHAIRMAN DANIEL: Are there any comments or  
24 questions?

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1 COMMISSIONER ALVAREZ: Chairman, I have a  
2 few comments. Outreach will be critically important to encourage  
3 all eligible grantees to apply--school districts, open-  
4 enrollment charter schools in Wyndham. In reviewing ISDs that  
5 have been awarded in the past, I see some district repeatedly  
6 submit a successful grant. It may be helpful to directly--it may  
7 be helpful to directly outreach to CTE directors and grant-  
8 writers, and I think we've had that discussion in the past. I'd  
9 also, just for clarification, as I did the last time I stated  
10 this, was to expand existing programs. I think we got  
11 clarification from Les' office on that. And then, if possible,  
12 with your help, Matt, and your team, to shorten the application  
13 process, as referenced the last time this was brought to the  
14 commission.

15 MR. SNIADOCKI: Yes, sir.

16 COMMISSIONER DEMERSON: No comments.

17 CHAIRMAN DANIEL: All right, well, I'm gonna  
18 break from regular order just a little bit, since we brought  
19 this back. This is an important program here at TWC. I would  
20 just offer a motion for the commission to approve the jobs and  
21 education for Texans advisory board recommendations regarding  
22 the FY 2022 program parameters, as described by staff in the  
23 discussion paper before us today.

24 COMMISSIONER DEMERSON: I second.

25 CHAIRMAN DANIEL: Discussion?

1 COMMISSIONER ALVAREZ: No, I'm okay with  
2 that, as long as the clarification, and I think we have it here,  
3 that Wyndham school districts are eligible for the funding.

4 MR. SNIADOCKI: Yes, sir.

5 CHAIRMAN DANIEL: Yeah, yeah, it's the--

6 COMMISSIONER ALVAREZ: Because--

7 CHAIRMAN DANIEL: It's the original app.

8 COMMISSIONER ALVAREZ: I think it's great.  
9 I'm okay with that, Chairman.

10 CHAIRMAN DANIEL: Yeah, yeah. And I wanna  
11 double down on Commissioner Alvarez's comments about outreach,  
12 and in fact everything he said I think is probably an important  
13 thing for us to do with regard to outreach and success programs,  
14 and programs who have been less than successful. And I do think  
15 those CTE directors are a key point for that.

16 MR. SNIADOCKI: Yes, sir.

17 CHAIRMAN DANIEL: Yeah, thank you.

18 COMMISSIONER ALVAREZ: I'd also like to add,  
19 if I could--so, this idea of shortening the application was so  
20 successful in the initiative that you rolled out, Chairman,  
21 regarding simplifying the application so we can get that money  
22 out. You know, I'm gonna go ahead and take his recommendation,  
23 what we did during the COVID skills grant, to do the same for  
24 this, if that's okay.

25

1 CHAIRMAN DANIEL: I have no objection to  
2 that.

3 COMMISSIONER ALVAREZ: Okay.

4 CHAIRMAN DANIEL: All right, the motion  
5 before us has been seconded, I think we're unanimous.

6 COMMISSIONER ALVAREZ: Yes.

7 CHAIRMAN DANIEL: Is there any objection?  
8 We're unanimous. Thank you very much.

9 MR. SNIADOCKI: Thank you so much.

10 CHAIRMAN DANIEL: Thanks, guys. Item 13,  
11 this is board contract year 2022 childcare local match.

12 MS. WILLIAMS: Good morning, Chairman  
13 Daniels [sic], Commissioner Alvarez, Commissioner Demerson, and  
14 Mr. Serna. For the record, Sandra Williams, workforce  
15 development division. Before you is a discussion paper on the  
16 BCY '22 childcare local match. The Texas Workforce Commission  
17 allocates federal funding for childcare services from the  
18 childcare and development fund to local workforce development  
19 areas for a portion of the CCDF funding. Local workforce  
20 development boards are required to secure and submit local match  
21 funds to TWC in accordance with federal regulations and TWC  
22 chapter 809 childcare services rules, and TWC chapter 800  
23 general administration rules. Boards submit annual local match  
24 pledges from private and public entities to secure federal  
25 childcare funds pursuant to section 809.17, and to maximize

1 resources for childcare needs in the community. Supporting  
2 documents include 15 board contract year BCY '22 match  
3 agreements from six boards--Borderplex, Central Texas, Dallas  
4 County, Gulf Coast, Lower Rio, and north Texas. Boards have  
5 secured 8.3 percent of the statewide childcare local match  
6 target for BCY '22, with one board securing at least 50 percent  
7 of their target. Staff seeks direction on accepting childcare  
8 pledges for donations, transfers, and certifications of expenses  
9 for BCY '22 in the amount of \$3,319,041. This concludes my  
10 comments, and I would be happy to answer any questions.

11 CHAIRMAN DANIEL: Any comments or questions?

12 COMMISSIONER ALVAREZ: This is Agenda Item  
13 15, am I correct?

14 MS. WILLIAMS: Mm-hmm.

15 COMMISSIONER ALVAREZ: Okay. First of all,  
16 Ms. Williams, I wanna compliment you and thank you for all the  
17 great work that you've done during this whole process with  
18 childcare and all the funding that TWC has received. And Reagan  
19 and her team. So, I just want you to know that. I mean, you guys  
20 have been doing a lot during the last couple of months regarding  
21 how we're spending our money and what you brought forth to the  
22 commission. That's all the comments I have at this time.

23 CHAIRMAN DANIEL: I just wanna be clear,  
24 Commissioner, this is Agenda Item number 13, and I don't think

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1 that's what I heard you say, and I just wanna make sure we're on  
2 the same Agenda Item.

3 COMMISSIONER ALVAREZ: Mm, okay.

4 MS. WILLIAMS: Yes, 13.

5 COMMISSIONER ALVAREZ: Got it. Same  
6 comments, mm-hmm.

7 COMMISSIONER DEMERSON: It's for childcare  
8 local match, so [inaudible].

9 COMMISSIONER ALVAREZ: Mm-hmm.

10 CHAIRMAN DANIEL: That's correct, this is  
11 Agenda Item 13.

12 COMMISSIONER ALVAREZ: Yeah.

13 CHAIRMAN DANIEL: I think he might have just  
14 misspoke, so.

15 MS. WILLIAMS: Yeah.

16 COMMISSIONER DEMERSON: No comments here.

17 CHAIRMAN DANIEL: Yeah. All right, is there  
18 a motion?

19 COMMISSIONER ALVAREZ: I move that we accept  
20 childcare match in the amount of \$3,319,041 for board contract  
21 year 2022.

22 COMMISSIONER DEMERSON: Second.

23 CHAIRMAN DANIEL: It's been moved and  
24 seconded. We're unanimous. Thank you.

25 MS. WILLIAMS: Thank you.

1 CHAIRMAN DANIEL: All right, we don't have  
2 anything on Agenda Item 14. This will--let's move to Agenda Item  
3 15, and I'd like to take it up together with Agenda Item 16.  
4 They're completely related. So, this is Agenda Items 15 and 16  
5 simultaneously. They have to do with the use of COVID stimulus  
6 funds for childcare projects. Reagan, take it away.

7 MS. MILLER: Good morning, commissioners,  
8 Mr. Serna. Reagan Miller with the childcare and early learning  
9 division. This morning for your consideration are several new  
10 stimulus-funded initiatives, as noted in Agenda Item 15, as well  
11 as the distribution of stimulus funding to boards, as noted in  
12 Agenda Item 16. Both of these are contained in the discussion  
13 paper in your materials, which outline seven issues for your  
14 consideration. The first issue for your consideration is  
15 dedicating 293.2 million to support low-income childcare  
16 beginning in fiscal year '22 and continuing through '24. In  
17 board contract year '22, we would budget an additional 41.4  
18 million; in BCY '23, 121.4 million; and in BCY '24, an  
19 additional 130.4 million. These amounts will allow us to serve  
20 more families in the childcare services program, as outlined in  
21 the chart on page two. Second is a 25 million project to  
22 establish matching grants to improve quality. Third is a \$26  
23 million initiative for TWC to establish a pre-K partnership  
24 expansion project. Fourth is 7 million for the expansion of  
25 professional development scholarships for childcare teachers.

1 The fifth item is a \$25 million project to procure shared  
2 services alliances. Sixth is 1.6 million to support a couple of  
3 studies and evaluations; 832,000 would support the house bill  
4 619 report to develop a strategic plan for the childcare  
5 workforce, and 770,000 would support cost modeling and a cost of  
6 quality report. And the final issue would establish a temporary  
7 20 percent increase in childcare services provider reimbursement  
8 payments during board contract year '22, which we estimate will  
9 cost 287 million. And as part of issue one, I mentioned 41.4  
10 million would be available in BCY '22 for childcare services; we  
11 are also seeking your direction on a supplemental allocation to  
12 the boards and the establishment of performance targets as  
13 outlined in attachment two. The discussion paper has additional  
14 details about each of these initiatives that we're seeking your  
15 direction on today, and I am happy to answer any questions that  
16 you have.

17 CHAIRMAN DANIEL: All right, we have two  
18 public commenters, I think. Does anybody have any pressing  
19 questions for Reagan? What I'd like to do, if it works, is hear  
20 from the public commenters, and then we can invite Reagan back  
21 up to answer questions, if there's any additional questions. Mr.  
22 Trobman?

23 MR. TROBMAN: Yes. First, we have Brenda  
24 Pace, if you could go ahead and introduce yourself and who you  
25 represent.

1 MS. PACE: Good morning.

2 COMMISSIONER DEMERSON: Morning.

3 MS. PACE: Good morning, Chairman Daniels  
4 [sic], Commissioner Alvarez and Demerson, and Mr. Serna. For the  
5 record, my name is Brenda Pace, director and owner of Pace and  
6 Ross Learning Center in Dallas, Texas. Our center has created  
7 and supported high-quality learning environment that ignites the  
8 minds of young children from birth to age--from birth to age  
9 five, and continues to age 12 in the community for 28 years. I  
10 am an important community entity. I am a small childcare  
11 business owner and provider that has a big impact in the Oak  
12 Cliff area of Dallas, along with other childcare associates  
13 throughout Texas. Our roles are essential because we impact the  
14 future. Thank you for this opportunity to voice my concern.  
15 First, I wanna thank leaderships and staff for the significant  
16 infusion of funds to childcare providers in Texas. Many  
17 providers are appreciative, as I am, and agree with Chairman  
18 Daniels that working parents must have access to quality  
19 childcare to effectively join the workforce. Thank you also for  
20 your recommendation on Friday, October the 29 that reflects a  
21 deep understanding of Texas childcare needs. My concern is that  
22 the current childhood system is in crisis, which has a  
23 tremendous cost on the economy for Texas. The workforce needs to  
24 address the following: What can we further do to support  
25 childcare industry and providers? One of our greatest concerns



1 to the adequate supply of quality childcare is the grossly  
2 unsupported childcare workforce. Historically, childcare  
3 providers and teachers have been significantly underpaid, and  
4 mostly do not receive benefits. According to the Bureau of Labor  
5 Statistics, the industry classifies as a low-wage occupation.  
6 The average wages in 2018 for childcare centers was \$11.17 per  
7 hour, and nearly 15 percent of the childcare workers live below  
8 the actual poverty line--more than double the rate of other  
9 industries. Largely because of these low wages and lack of  
10 benefits, the turnover rate in childcare is constantly high.  
11 Additionally, because of the pandemic, recruitment is more  
12 challenging than ever before. I am personally experiencing this  
13 right now. I have 92 percent of my staff that has completed  
14 finding professional development training and has received their  
15 CDAs and some associate degrees. My childcare professionals,  
16 they love their jobs, they love instilling teachable moments to  
17 the children, they love developing team support with parents,  
18 they love being an extended support unit for future leaders. But  
19 because of low wages and lack of benefits, many are getting  
20 part-time jobs that pay higher wages than the childcare  
21 industry. Some are considering leaving the field to work at  
22 Walmart, at Amazon, because they pay higher wages. We are losing  
23 the wisdom, the patient, and above all, the love of the craft  
24 and their talent. We need to preserve the dedication and  
25 integrity of the childcare industry. My recommendation in

1 addition to the strategies being considered, we hope that TWC  
2 will fund a recruitment campaign that will get the word out that  
3 there are many benefits of working in a quality childcare, and  
4 why early childhood professionals are extremely beneficial for  
5 the community. The campaign can also add value of informing  
6 parents of what quality means. Also, to allocate additional  
7 resources and implement programs, so providers will have  
8 flexibility to supplement wages to be able to recruit and retain  
9 staff. Thank you for all that you're doing and your  
10 considerations for these ideals.

11 CHAIRMAN DANIEL: Thank you.

12 MR. TROBMAN: And next, we have Melanie  
13 Ruben. If you'd go ahead, introduce yourself, and who you  
14 represent.

15 MS. RUBEN: Good morning, thank you. I'm  
16 Melanie Ruben, I'm the director of the North Texas Early  
17 Education Alliance and chair of the board of the Texas  
18 Association of Childcare Resource and Referral Agencies. Thank  
19 you, Chairman Daniel, Commissioners Alvarez and Demerson, and  
20 Mr. Serna for all you and the childcare and early learning  
21 division has done and is doing. As you all know and as you've  
22 heard, the childcare system, particularly its most essential  
23 component, the childcare workforce, is in crisis. The system's  
24 inherent challenges, especially the talent dearth and the  
25 inability to hire and retain staff, has been significantly

1 exacerbated by the pandemic and is limiting the system's  
2 effectiveness and sustainability. Across the state, 86 percent  
3 of childcare centers in Texas are experiencing staffing  
4 shortages, and most are having to close classrooms and turn  
5 children away, as you just heard from Ms. Pace. This crisis  
6 costs the economy billions of dollars each year in lost  
7 earnings, productivity, and revenue. Estimates from recent Ready  
8 Nation national data indicate that the lack of reliable  
9 childcare for working parents of young children up to just age  
10 three could come to \$4.9 billion in annual costs for Texas. The  
11 limited supply of quality care has an adverse impact on both  
12 employers and parents, of course as well as their children. We  
13 are tremendously grateful for what TWC leadership has already  
14 implemented, and for the recommendations brought forth today,  
15 particularly the increased reimbursement rates, the broadening  
16 of local [sounds like] matching centers, and the efforts to  
17 support the workforce. These initiatives reflect keen insights  
18 of what is happening on the ground, and of the critical pressure  
19 points. We hear regularly from childcare providers and parents  
20 that without TWC's focused and strategic efforts, programs would  
21 have closed permanently. We ask today that you continue to build  
22 on these initiatives and use remaining relief dollars to not  
23 only stabilize the childcare industry, but to invest in short-  
24 term initiatives that will have long-lasting, transformative  
25 impact. Specifically, I'm here today to ask for four things. We

1 ask you to, one, implement childcare teacher wage supplements  
2 and hiring incentives for those actually in the classrooms. This  
3 will replicate efforts to mitigate similar staffing crises such  
4 as described in HB 161, the Health and Human Services  
5 Commission's mandate to administer one-time grants to healthcare  
6 workers, including providing recruitment and retention bonuses.  
7 Two, recognize the essential and valuable industry and provide  
8 childcare providers access to childcare subsidies for their own  
9 children as part of the service industry initiative. Three,  
10 include in the childcare workforce strategic plan, which we  
11 appreciate funding for in today's recommendation, but include in  
12 that a recruitment campaign, as Ms. Pace referred to, to promote  
13 the industry. We really need to get the word out that this is a  
14 good place to work, and then we need to beef up why it's a good  
15 place to work. And four, implement innovative benefit and  
16 professional development initiatives such as resources to assist  
17 with health insurance premiums, or healthcare navigators to help  
18 childcare staff navigate insurance options, or provide  
19 affordable telehealth for childcare employees. These efforts, in  
20 tandem with the strong base of existing programs, are just what  
21 is needed and will have a tremendous impact on the industry and  
22 on Texas' workforce. We are so grateful for all you and the  
23 childcare staff is doing, and just look forward to working  
24 together to move the needle even further. Thank you.

1 CHAIRMAN DANIEL: Thank you. All right,  
2 Reagan. Any questions or comments for Reagan?

3 COMMISSIONER ALVAREZ: None here, Chairman.

4 COMMISSIONER DEMERSON: Mr. Chairman, I  
5 appreciate Brenda Pace and Melanie Ruben for coming forward as  
6 employers here in our state, and the work they're doing day-in  
7 and day-out. Reagan, we heard them talk about a recruitment  
8 campaign a number of times, and so that's something our  
9 workforce solution offices and the like, I'm quite sure that you  
10 guys will look into that. And I'd like a healthy discussion at  
11 some point regarding the supplementing of wages and the like. I  
12 don't know if those would be one-time type supplements through  
13 the stimulus money that we have at this point, or if that's  
14 something that they're talking about that's ongoing, but a  
15 healthy discussion with those employers around these items that  
16 are mentioned would be beneficial--beneficiary to all. Mr.  
17 Chairman, one more comment.

18 CHAIRMAN DANIEL: Yeah, of course.

19 COMMISSIONER DEMERSON: Let me also--I love  
20 a communication device or piece that I could share with  
21 employers as well about all the things that we've done in the  
22 childcare space. Things that are available. At some point as  
23 it's being developed, a communication piece would be good for  
24 our Texas employers to kind of know what we're doing, and even  
25 the public, from that standpoint, showcasing and sharing what

1 we've done in the past and what we're going to be doing in the  
2 future as it develops would be important to me. That's it.

3 CHAIRMAN DANIEL: Mr. Serna, can we get some  
4 window tint for this? Commissioner Demerson's reading off of my  
5 to-do list through the glass window.

6 MR. SERNA: I'll be more than glad to frost  
7 it.

8 CHAIRMAN DANIEL: On the recruitment  
9 campaign, that idea holds a lot of merit, and I know we do work  
10 in this space. And I think during this time period where we are  
11 deploying a large number of federal funds, we should probably  
12 revisit our efforts there and understand what we can do relative  
13 to a recruitment campaign. And I would ask with the next tranche  
14 of funding that we include that in that discussion. I have a  
15 question for you also. So, the last time this commission met,  
16 I'm pretty sure we approved \$2.4 billion in direct aid to  
17 childcare centers. Can any portion of that money be used for  
18 wages for the childcare workers at those centers?

19 MS. MILLER: Yes, sir, it can.

20 CHAIRMAN DANIEL: So, how many--about how  
21 many childcare centers are in the state?

22 MS. MILLER: Thirteen thousand.

23 CHAIRMAN DANIEL: So, we deployed \$2.4  
24 billion, which is roughly the equivalent of TWC's annual budget,  
25 if I'm not mistaken, in a typical year, to about 13,000

1 entities, and one of the things that they can use it for is  
2 wages. There are other things that they can use it for as well.  
3 There was actually, if I recall correctly, there was actually a  
4 long list of things. Perhaps we should consider some  
5 communications plan to communicate directly to the centers that  
6 they can use that money with wages, if wages are an issue. It is  
7 indeed an interesting labor market. I have lots of ideas about  
8 that. I don't think you've done anything to me today to deserve  
9 to hear all of my ideas on the interesting labor market that  
10 we're in. But I think wage pressure is a natural sort of  
11 consequence of where we find ourselves, that the inflation rates  
12 that we're seeing is being a little bit by that wage pressure,  
13 and I think the inflation's gonna continue to drive wage  
14 pressure. I'm pretty sure when they wrote that book and talked  
15 about "Catch-22," I think that's what they meant, partly. We'll  
16 work through those things, but I think maybe helping providers  
17 understand what the 2.4 billion could be used for, and if wages  
18 are indeed at the top of the list of a pressing issue, and I  
19 think they might be, quite frankly, that's a pretty significant  
20 available pool of money that could be used to kind of maybe  
21 address that in a short-term way. I'm certainly not opposed--  
22 Commissioner Demerson mentioned coming back around to this to  
23 have a discussion about it at a later time, and I think that's  
24 fine. I mean, I think there's quite a bit of flexibility with  
25 the federal funds, and I think it is definitely something that

1 we need to talk through. But given the one-time nature of the  
2 money in general, all \$6 billion of it, and the fact that I  
3 don't wanna create sort of unsustainable expectations on the  
4 part of TWC, if indeed some portion of that 2.4 billion that's  
5 already been approved can be used for wages, let's explore some  
6 ways that we can encourage centers to be able to use it for  
7 that, and perhaps even try to understand better maybe what some  
8 of their exact capital needs are at this moment. And then I will  
9 save for another date, just so we don't belabor this meeting,  
10 you know, I want--we've done some things relative to the federal  
11 money with regard to our quality programs. I'd like to come back  
12 around to those quality programs and try to understand perhaps  
13 the workforce relative to four-star providers versus other star  
14 or no-star providers, and maybe look at some strategies perhaps  
15 our four-star providers have done to really strengthen their  
16 workforce to ensure that they can continue to provide that high  
17 quality of care. So, when we do come back around to workforce  
18 and how that works, I'd like to sort of weld that together with  
19 some discussion about quality of care. And then same discussion,  
20 you know, we've made a fairly significant investment in an  
21 apprenticeship program for childcare workers. Perhaps there's  
22 some things we can do relative to that program on a one-time  
23 basis to address this perhaps short-term labor shortage that  
24 we're seeing. I do think that's real, and I think it's important  
25 for us to consider all the things that we can do. Typically, the



1 marketplace will right itself, but I don't know that we have the  
2 kind of time to do that. I know, both anecdotally and  
3 empirically, I think some parents are holding out of the  
4 workforce because their children come first. I agree with that  
5 decision. I think though, for people that wanna be working, who  
6 have had to make another decision, either for childcare or any  
7 of the other personal reasons going on in their life, if there  
8 is a reasonable way for us to address that, this is a good  
9 discussion for us to try to pick that up in. And perhaps that  
10 apprenticeship program offers some merit as well. So, if we  
11 could just pick up those two or three threads in a discussion  
12 about the workforce, the childcare workforce in the state and  
13 bring that together into whether it's the next tranche or the  
14 tranche after that, you know, whatever's reasonable for you, I  
15 think there's some data-gathering that you're gonna wanna do,  
16 and let's just make sure that's part of the discussion.

17 MS. MILLER: Yes, we will look into that. I  
18 will say that the funding that you previously approved for  
19 apprenticeship, that request for applications was published last  
20 Friday, so it is currently on the street and available for folks  
21 to review.

22 CHAIRMAN DANIEL: So, a very timely  
23 conversation about that, and I hope people will--particularly if  
24 you haven't been in the childcare industry before, and it's  
25 something that you might like to do, those in general

1 apprenticeship programs really are a great pathway into a  
2 rewarding career, and I think this one's no exception. So,  
3 appreciate that very much. Any other comments or questions?

4                   COMMISSIONER ALVAREZ: Chairman, you stirred  
5 up some really good talking points, and so I do wanna remind  
6 everyone that my super session is specifically on childcare, and  
7 we will be addressing--Reagan Miller will be narrating the  
8 discussion, and part of those discussions will talk about the  
9 professional development, if I'm not mistaken, apprenticeship,  
10 early childhood development. And so, I do know that after  
11 attending the event that we had in Dallas with the workforce  
12 board there, you're right, Chairman, these apprenticeship  
13 programs certainly--they [sounds like] tie gaining wages. I  
14 mean, we know that they're tied to increasing wages and skills  
15 attainment. So, appreciate you bringing that up. And we do know  
16 there that that night, after having that first graduating class  
17 of childcare apprentices, that they were informed that 33 hours  
18 of college credit will be transferred over to Tarleton State  
19 University. So, there is that bridge, and there is that  
20 progression. And so, we appreciate that. I'd also like to see if  
21 there's ways that we could--if we could do something very  
22 similar to like what the Office of Employer Initiatives did in  
23 the commission regarding the restaurant recovery video. And so,  
24 maybe something like that in mind. I do wanna ask will the super  
25 sessions be recorded? If not, I would ask that the super session

1 that you will be moderating be recorded so if we have folks like  
2 the two ladies that--young ladies that provided remarks today  
3 may be given an opportunity to review these videos, because it's  
4 gonna be important stuff. And we've been having these  
5 discussions for months now, and we've got some really good  
6 panelists that will be there. So, I'm gonna let you and Julia  
7 work that out, see if we can record that.

8 MS. MILLER: [Inaudible] nodding her head,  
9 saying it is recorded.

10 COMMISSIONER ALVAREZ: Awesome, see, I  
11 wasn't aware of that, but that's great. Okay, that's all I have.

12 CHAIRMAN DANIEL: Other comments or  
13 questions?

14 COMMISSIONER DEMERSON: None here.

15 CHAIRMAN DANIEL: Is there a motion?

16 COMMISSIONER ALVAREZ: Chairman, I move that  
17 we approve the four tranche initiatives, as described in the  
18 discussion paper and as presented by staff, and that we approve  
19 the allocation of 41.4 million, as outlined in issue one, to the  
20 local workforce development boards along with the associated  
21 performance targets.

22 COMMISSIONER DEMERSON: Second.

23 CHAIRMAN DANIEL: It's been moved and  
24 seconded. We're unanimous. Thank you.

25 MS. MILLER: Thank you.

1 CHAIRMAN DANIEL: This is Agenda Item 17,  
2 board nominations.

3 MS. WILLIAMS: Morning, Chairman,  
4 commissioners, and Mr. Serna. For the record, Shunta Williams  
5 with the workforce development division, and this morning for  
6 your consideration we have workforce board nominations from  
7 Workforce Solutions Borderplex, Capitol Area, north central  
8 Texas, greater Dallas, and Texhoma. Staff recommends that all  
9 nominees be approved, and I'm here to answer any questions you  
10 have.

11 CHAIRMAN DANIEL: Any comments or questions?

12 COMMISSIONER ALVAREZ: None here, Chairman.

13 COMMISSIONER DEMERSON: None.

14 CHAIRMAN DANIEL: Is there a motion?

15 COMMISSIONER ALVAREZ: I move that we  
16 approve the board nominees for Borderplex, Capitol Area, north  
17 central Texas, greater Dallas, and Texhoma.

18 COMMISSIONER DEMERSON: Second.

19 CHAIRMAN DANIEL: It's been moved and  
20 seconded. We're unanimous. Thank you. We don't have anything on  
21 Agenda Item 18. I don't think we have anything--there's no  
22 legislative report either.

23 MR. SERNA: No, sir.

24 CHAIRMAN DANIEL: Mr. Serna, an executive  
25 director's report?

1 MR. SERNA: I have nothing to report, sir.

2 CHAIRMAN DANIEL: All right, is there any  
3 other order of business to come before the commission?

4 COMMISSIONER ALVAREZ: We're gonna celebrate  
5 Dia de los Muertos. If anybody wants to come up for Mexican  
6 chocolate and some pan de polvo, you're certainly welcome to go  
7 by the office as soon as we finish here today. That's it,  
8 Chairman.

9 COMMISSIONER DEMERSON: Can't top that.

10 CHAIRMAN DANIEL: I have not been to a  
11 proper merienda in a number of years. I'm looking forward to  
12 stopping by.

13 COMMISSIONER ALVAREZ: Oh, and I don't know  
14 if Les would like to say anything regarding an employee that may  
15 be departing our agency at this time? That's why we were  
16 required to wear black and red today?

17 COMMISSIONER DEMERSON: Uh-oh.

18 CHAIRMAN DANIEL: You should be wearing  
19 black and red every day, Commissioner.

20 COMMISSIONER DEMERSON: I knew you were  
21 gonna say that.

22 MR. TROBMAN: Not sure I wanna step into  
23 that invitation on the color scheme, but we are having one of  
24 our very valued attorneys, who previously worked at a [sounds  
25 like] private assessor agency. [Inaudible] has been with us

1 since the transition as well. Chris Prentice has been a real  
2 valued member of our team, a real valued member of the agency,  
3 and a real benefit to numerous Texans during his career with the  
4 state, and he is moving on to a different capacity, also with--  
5 representing citizens of Texas in west Texas. And so, we'll look  
6 forward to continuing to hear about all the great things he's  
7 doing. Thank you, Commissioner Alvarez and commissioners, Mr.  
8 Serna.

9 COMMISSIONER DEMERSON: Les, I wish both of  
10 them well, but in particular, Chris. It has been a delight  
11 working with him over the years and watching him just one-up all  
12 of us in regards to what he's able to do with his [inaudible] in  
13 that capacity. Appreciate the work there.

14 MR. TROBMAN: Thank you.

15 CHAIRMAN DANIEL: I try not to interfere  
16 very much in the operations of anybody's department, but with  
17 his departure I won't have anybody to discuss Red Raider  
18 football, and [inaudible] I would encourage you, as much as  
19 you're able on your application process, to consider that  
20 [inaudible] as a possibility.

21 MR. TROBMAN: It's always a priority, sir.

22 CHAIRMAN DANIEL: You do you, general  
23 counsel. How about that? And I do want it on the record that--  
24 and I'd like this in the transcript, that--a commendation for  
25

1 Commissioner Alvarez's staff, who both appear to be in red and  
2 black today. And so I thought that was a nice touch. Thank you.

3 COMMISSIONER DEMERSON: That's true.

4 COMMISSIONER ALVAREZ: Thank you. Thank you,  
5 Chairman.

6 CHAIRMAN DANIEL: All right, any other  
7 business?

8 COMMISSIONER ALVAREZ: None here, sir.

9 CHAIRMAN DANIEL: Do we have a motion to  
10 adjourn?

11 COMMISSIONER ALVAREZ: Chairman, I move that  
12 we adjourn.

13 COMMISSIONER DEMERSON: Second.

14 CHAIRMAN DANIEL: It's been moved and second  
15 to adjourn, and we're adjourned.

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