

**TEXAS WORKFORCE COMMISSION
TWC Building - Room 244
101 East 15th Street
Austin, Texas 78778-0001**

**COMMISSION MEETING AGENDA
Tuesday, June 2, 2015
9:00 a.m.
DOCKET 22**

AGENDA ITEM NO. 1

Chairman Alcantar called the meeting to order.

AGENDA ITEM NO. 2

Discussion, Consideration and Possible Action Regarding Whether to Assume Continuing Jurisdiction on Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases and Reconsideration of Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases, if Any

No Discussion.

AGENDA ITEM NO. 3

Discussion, Consideration and Possible Action Regarding Tax Liability Cases Listed on the Texas Workforce Commission Docket 22

The Commission considered and took action on all tax liability cases listed on Docket 22.

AGENDA ITEM NO. 4

Discussion, Consideration and Possible Action Regarding Higher Level Appeals in Wage Claim Cases Listed on the Texas Workforce Commission Docket 22

The Commission considered and took action on all wage claim cases listed on Docket 22.

AGENDA ITEM NO. 5

Discussion, Consideration and Possible Action Regarding Higher Level Appeals in Unemployment Compensation Cases Listed on the Texas Workforce Commission Docket 22

The Commission considered and took action on all unemployment compensation cases listed on Docket 22.

AGENDA ITEM NO. 6

Public Comment

No one registered for public comment.

AGENDA ITEM NO. 7

Discussion, Consideration and Possible Action Regarding Negotiating Program Year 2015 Performance Measure Targets With U.S. Department of Labor

No Discussion.

AGENDA ITEM NO. 8

Discussion, Consideration and Possible Action Regarding Implementation of the Workforce Innovation and Opportunity Act

No Discussion.

AGENDA ITEM NO. 9

Discussion, Consideration and Possible Action Regarding Enacted, Proposed or Considered Federal Regulations, Executive Orders, or Federal or State Enacted or Proposed Legislation

TOM MCCARTY: With me this morning is Michael Britt who will provide you with a summary of legislative actions. Before we begin I would like to thank the GR staff for their exceptional work this session. They met every challenge before them and represented the agency well. I believe the staff are with us this morning. Kim Berry, Rudy Sandoval, Erin Ham, Allison Slayton, and Ashley Hodgini who we have for a few more days before she leaves for a new job. I am very pleased to report that the agency sunset bill passed. The bill transfers the following programs from the Department of Assistive and Rehabilitative Services to TWC:

- Vocational rehabilitation program for individuals with visual impairments
- Vocational rehabilitation program for individuals with other disabilities
- Independent Living Services program for older individuals who are blind
- The Criss Cole Rehabilitation Center
- Program for vending facilities operated by blind persons including the Business Enterprises Program under the Randolph-Sheppard Act.

The bill also establishes a Legislative Oversight Committee to oversee the transition of programs from DARS to TWC;

Authorizes TWC to participate in the federal Treasury Offset Program;

Transfers the duties and powers of the Texas Commission on Human Rights to the Texas Workforce Commission;

Directs TWC to amend the form for filing a Wage Claim to notify customers that the form is available in other languages;

And continues the agency for 12 years.

I'll turn it over to Michale to discuss.

MICHAEL BRITT: I will be providing you with an overview of the agency's Sunset bill, TWC's Legislative Initiatives, appropriations and highlighting a few of the major bills we monitored and were passed this session.

I would first like to thank you, and all agency staff for your help during this legislative session. I would especially like to thank those we called upon to serve as a resource witnesses on behalf of the agency on a regular basis and in some cases on short notice: Mr. Temple, Reagan Miller, Laurie Biscoe, Chuck Ross, Leigh Pursell, Lowell Keig, Dana Vajgert, and Bob Gear. I hope I have not left anyone out, but again we greatly appreciate everyone's help.

With respect to TWC's Legislative Initiatives, three were passed by the Legislature and have been sent to the Governor. HB 2732 by Representative Metcalf and Sponsored by Senator Zaffirini, which is the legislative initiative related to the Treasury Offset Program; HB 3685 by Doc Anderson / Sponsored by Senator Lucio, is the legislative initiative related to the Rehabilitative Service Employment Exception; and HB 1657 by Representative Vo also Sponsored by Senator Lucio, which is TWC's legislative initiative related to the Surplus Credit Rate.

For appropriations, the Legislature funded TWC at the levels requested in the agency's appropriations request. In terms of the agency's exceptional item requests, the Legislature fully funded the request for an additional \$3 million for Apprenticeship. The Legislature did not fund the agency's exceptional item requests for additional funding for the Recruit Texas program or the Accelerate Texas program. The Legislature also did not adopt TWC's requested changes to the Child Care performance measures.

Other changes of note within the agency's bill pattern include the addition of a new rider, 46 which allows TWC to spend up to \$5 million per year from the Skills Development Fund for Rapid Response Workforce Development Services and new Rider 47 which allows TWC to use funds appropriated for Adult Education and Family Literacy to develop and implement the Adult Education and Family Literacy Workforce Diploma Pilot Project.

The legislature also adopted a rider for SB 1351 which transfers the Jobs and Education and Training for Texans (JET) program from the Comptroller to TWC. The rider appropriates \$5 million in each year of the biennium for TWC to operate the program.

In closing, I will highlight a few of the major bills related to the agency which were passed this session:

- HB 931 – This legislation allows for an individual to receive payment for the UI Waiting Week once they have received two times their weekly benefit amount and either return to work or exhaust their UI benefits.
- HB 1606 - This is the Texas Workforce Investment Council Sunset bill. The bill continues the Workforce Investment Council for 12 years and transfers the duties of the Skills Standards board to TWIC.
- HB 3150 - which relates to the calculation of taxable wages paid by a professional employer organization for purposes of the Texas Unemployment Compensation Act. This legislation allows a Professional Employer Organization to receive credit for the

Unemployment Insurance Taxes paid on workers by a client company in the year the client company transfers those workers to a PEO.

- HB 3373 - Relates to the liability of reimbursing employers under the Texas Unemployment Compensation Act. This legislation provides that reimbursing employers are not charged for Unemployment Insurance benefits paid to individuals who left their employment due to misconduct or voluntarily leaving without good cause connected with the work.
- SB 212 – This legislation realted to the abolishment of the Texas Council on Purchasing from People with Disabilities and transfers its functions to the Texas Workforce Commission.
- SB 374 - Requires state agencies to participate in the E-Verify program and for TWC to adopt rules and prescribe forms for compliance with this requirement.
- SB 1351 -Transfers the Jobs and Education for Texans Grant program from the Comptroller to TWC.

This concludes my remarks. I will be happy to answer any questions you may have.

AGENDA ITEM NO. 10

Report and Update by the Executive Director and Staff Regarding Administrative Matters, Including Internal Policies and Procedures, Customer and Board Service Issues, Status of Project Assignments, Organizational Matters and Responsibilities of the Agency's Divisions

REAGAN MILLER: We have spoken with several of the EDs right now. They are working with their local officials to determine the impact of the flooding. At this point no one has any need for additional resources from TWC mobile units or the like. We have had several EDs that have reach out to their fellow EDs to offer assistances. We have also sent a notice to all of the workforce areas that have counties identified for individual assistances or public assistances through the Governor's declaration. Letting them know that they are eligible to apply for a disaster NEG, which is used to fund temporary work for clean-up on public lands. We are waiting to hear back from them to see if that is something they are interested in pursuing, and we will keep you posted.

LASHA LENZY: Good Chairman Alcantar, Commission Andrade, Commission Congleton and Mr. Temple. For the record, I'm LaSha Lenzy, Unemployment Insurance Director. I do have a brief update relating to the recent sever storms and flooding we have had in Texas. As you know, Governor Abbott declared 70 counties as disaster affected and the President declared 7 counties for public assistances and 3 counties as disaster affected with individual assistances. For unemployment purposes, we look at more so the individual assistances. Which is Hays, Van Zandt and Harris counties. I do need to add that the incident period is open, so additional counties could be added later. We have will protocols in place, automation in place, our staff is already trained to be proactive early on. We of course sent out refresher materials and guides to everyone. We activated our disaster flag early on, se we don't have as much back tracking to do as normal. We do have because it goes back to May 4, but we're in a lot better position. We were able to go back yesterday evening and validate some of the preminary numbers. For some

of those that were tagged as federal DUA, will actually end up getting more because they actually ended up qualifying for regular benefits. So, currently we have 76 regular claims that have been filed that are disaster related in the three counties that are individual assistances. Three that are actual DUA federal qualified claims in those same three counties. So, all total we've had 351 claims filed from all 70 counties. So far we have identified or deemed 237 of those are disaster affected. We are waiting hear back for the Governor's office relative to the waiting period were that can be waived. As you know our weekly benefit amount, the maximum is \$465 and the minimum is \$64. On the DUA calculation, that is actually done by DOL and its set at, the minimum for DUA is \$178 at this time. Their calculation is 50 percent of whatever your state's average is for the prior calendar year. So, if you don't qualify for regular benefits, you move over to the DUA. And a lot of that are people that are self employed, independent contractors. We do that calculation based on the proof that they have given us, like the 1099, contract labor checks, income tax return. They have a few weeks to get that information to us. IRS does set up a hotline that they can get a copy of their income tax return very quickly if you are part of a disaster. We have turned in a request for funding to DOL and to FEMA. Press release has been issued. As Reagan said we are in coordination with workforce and the boards and sharing information along the way. Other than that, our field assistants are active in those counties. Things are drying up, so we hope folks are getting back to a normal state. But we will keep you updated as we proceed.

LARRY TEMPLE: We have historically waived the job search for those area who quailify for DUA, and we are working that policy for these individuals as well.

SUSANNA CUTRONE: Good morning Commissioners. Upon a showing of good cause in light of a catastrophic event, the Executive Director may grant Emergency Leave to staff. With the flooding and associated weather evernts, we have received three requests for emergency leave. Two of those were due to flooding to employees' homes, resulting in a total of 36 hours of leave granted and the third request was due to a lightening strike causing damage to an employee's home and that resulted in 32 hours of emergency leave.

AGENDA ITEM NO. 11

The Commissioners went into executive session at 9:46 a.m. pursuant to Government Code §551.071 to Discuss Contemplated Litigation or Pending Litigation and Government Code. The Commissioners came out of executive session at 9:51 a.m.

The meeting adjourned at 9:51 a.m.