TRANSCRIPT OF PROCEEDINGS

BEFORE THE

TEXAS WORKFORCE COMMISSION

AUSTIN, TEXAS

PUBLIC MEETING
FOR THE TEXAS
WORKFORCE COMMISSION

COMMISSION MEETING

TUESDAY, JULY 31, 2018

BE IT REMEMBERED THAT at 9:00 a.m. on
Tuesday, the 31st day of July, 2018, the above-entitled
matter came on for hearing at the Texas Workforce
Commission, TWC Building, 101 East 15th Street, Room 244,
Austin, Texas, before ANDRES ALCANTAR, Chairman; JULIAN
ALVAREZ and RUTH R. HUGHS, Commissioners.
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P R O C E E D I N G S
TUESDAY, JULY 31, 2018
(9:00 a.m.)
AGENDA ITEM NO. 1
CHAIRMAN ALCANTAR: Good morning, everyone.
This meeting is called 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 27.
The Commission considered and took action on all tax liability cases listed on Docket 31.
AGENDA ITEM NO. 4
Discussion, Consideration and Possible Action Regarding Fair Housing Cases listed on the Texas Workforce Commission Docket 31.
No Discussion.
AGENDA ITEM NO. 5
Discussion, Consideration and Possible Action
The Commission considered and took action on all wage claim cases listed on Docket 31.

AGENDA ITEM NO. 6
Discussion, Consideration and Possible Action
The Commission considered and took action on all unemployment compensation cases listed on Docket 31.

AGENDA ITEM NO. 7
CHAIRMAN ALCANTAR: Good morning, everyone. We’re back in session. Les, has anyone signed up for public comment?
MR. TROBMAN: No, sir.
CHAIRMAN ALCANTAR: We have no public comments. Thank you.
MR. TEMPLE: Mr. Chairman, Reagan Miller has always said that she would love if she could have a chance. There’s some stuff she really has been wanting to say for 30 years. And so, I’d like to give her that opportunity for her public comments.
MS. MILLER: It’s such a full agenda meeting...
that we will have to hold that.

MR. TEMPLE: Okay. All right. Well, I gave you your shot.

COMM. HUGHS: But we do want to publically thank Reagan for all of her years of service.

MR. TEMPLE: I do want to thank Reagan for 30 years -- 29 and a half years to be -- to -- of state service. Thank you. This will be her last Commission meeting. Thank you.

(Applause)

MR. TEMPLE: And we have Mark Durand, Deep East joining us today. It’s his first time to be at a commission meeting so.

CHAIRMAN ALCANTAR: Good morning, Mark. Welcome. Good to see you.

AGENDA ITEM NO. 8

CHAIRMAN ALCANTAR: All right. Item 8, is Discussion, Consideration and Possible Action Regarding Fiscal Year 2020 and 2021 Legislative Appropriations, request staffing and other matters. Randy Townsend. But before get to that --

COMM. HUGHS: Chairman? I was just going to make a request. If we could take up Item -- Agenda Item Number 26, I think it’s going to impact Agenda Item 8 and so by addressing 26 first, we might be in a better position to
review 8.

MR. TOWNSEND: Absolutely.

COMM. HUGHS: Thank you.

AGENDA ITEM NO. 26

CHAIRMAN ALCANTAR: Item 26 is Discussion, Consideration Possible Action Regarding State Funded Initiatives. Good morning, Jennifer.

MS. TROKE: Good morning, Mr. Chairman.

CHAIRMAN ALCANTAR: How are you?

MS. TROKE: I’m good. And Mr. Temple. For the record, Jenn Troke, Workforce Division. The Statewide Externship for Teachers Initiative allows middle school and high school teachers to engage in activities in a particular industry and learn how classroom contact may be applied in the workplace and ultimately guide students towards employment in industries that match their skill sets.

Externship funds have been competitively procured for four years and awarded to local Workforce Boards that partner with local employers, ISDs and institutions of higher education. Staff were directed to review the existing funding mechanism to determine whether funding distribution should be considered for this initiative.

Based on our reviews, staff noticed that a funding distribution could lead to boards receiving less
funds then they receive through a competitive application process and noticed that there is an opportunity to consider changing the competitive application parameters instead.

Staff seeks direction on the following funding parameters for the Fiscal Year 2019 Externship for teachers’ requests for applications including approving an increase of $680,000 for 2019 awards for a total of $1.4-million for this initiative, capping individual grant awards at $200,000 so that more boards can receive funding, capping individual teachers’ stipends at $700 to increase the number of teacher participants across the initiative, including the clause about priority for new teacher participation.

Thank you for your consideration. Any questions?

CHAIRMAN ALCANTAR: Any questions?

Commissioner Hughes?

COMM. HUGHS: I want to thank staff for the time they put into really evaluating how we can really promote and encourage more opportunities under the teacher externships. Which I think you know my fellow Commissioners and I all heard across the State the value that it brings. So, thank you for putting those together.

And I move that we approve an increase of 680,000 for 2019 Externship Awards for a total initiative of 1.4-million, capping individual grant awards at 200,000,
capping individual teacher stipends at 700 as recommended by staff.

COMM. ALVAREZ: Before I second that I would like to just encourage those boards who haven’t applied in the past to please do so. So, thank you, Jenn, for all of your work, but with that I second that.

CHAIRMAN ALCANTAR: We are unanimous. I appreciate the good work.

MS. TROKE: Excellent. Thank you.

AGENDA ITEM NO. 8

CHAIRMAN ALCANTAR: All right. We are back on item 8 and Randy Townsend? It changes your math a little bit, but not a lot.

MR. TOWNSEND: Not too bad. Good morning, Chairman and Commissioners. For the record, Randy Townsend, Chief Financial Officer.

This morning, Commissioners, presenting for your consideration and possible approval our submission of our 20 -- Fiscal year 2020 and Fiscal year 2021 Legislative Appropriation Request.

I will also be presenting as part of that the amended budget for 2019. So, under Tab 8, I’d just like to highlight a couple of the items there. I believe we have been over this a few times in previous Commission meetings. Just before we settled on the dollar amounts.
For the -- let me start with the ‘19 operating budget totals. We are talking about here was one billion 862 million. I am just going to round here a little bit. And then for the 2020 base request, we are talking about one billion, 870 million. And for 2021, one billion, 856 million. The actual numbers are in the packet with the dollar amounts.

Of that amount that I’ve talked about, about 10 percent of that’s funded with general revenue funds, 85 percent’s federal funds. In your packet as well, we have the strategies identified on page 3 for review. The largest six programs or strategies representing Childcare, Vocational Rehabilitation, Workforce Innovation Opportunity Act Unemployment Insurance, TANF Choices Program, Adult Education. All those programs total about 86 percent of the Agency’s total budget.

Moving to page 4, we’re looking at 4,868-and-a-half FTE, fulltime equivalent staffing for 2019 and through 2020 and 2021. Of those, the largest program is Vocational Rehabilitation with almost 1800 FTEs and then the UI strategy represent about 1500 FTEs.

Moving to page 4 -- or 5, excuse me. There’s a summary page -- two pages for our exceptional items previously approved by the Commissioners. The Jet Program request for 6-million, the Apprenticeship program
exceptional item request for 1-million, 345 thousand. We also include on page 6 the Capital Budget item request. Most of that is Federal Authority for the unemployment insurance replacement program for 40-million. The workforce case management at 18.8-million and then finally, the eligible training provider career school system just under 1.2-million of which 700,000 of that is general revenue funding. So those are exceptional item requests previously approved.

Page 7 summarizes the general revenue reduction amounts that we previously considered as well where we have to identify, if you -- I think if look at page 8 there’s a -- highlights the amount that we have to identify about 39-million for the biennium. We break that down in the required 2-1/2 percent incremental amounts that roughly represent about 4.9-million each. We continue with the approach the previously approved 4-million first coming out of the employment community services strategy -- that’s the proposal elimination of the rider if that that becomes necessary. And then a proportional split between the apprenticeship and the skills programs. Roughly 10 percent apprenticeship, 90 percent skills and that’s the funding breakout for those two programs.

Page 9 is going to give you highlights for the large changes between the biennium. There’s about 150-
million increase for 2020–’21 biennium over the current biennium. The largest amount of that is going to be the grants, block grants in the childcare program. We have a large increase in the childcare program as we’ve talked about previously.

There’s also a reduction for onetime funding related to the hurricane disaster that occurred in the ’18, ’19 biennium at almost 30-million. So that nets out to about 15-million -- or 150-million increase for the biennium. We will break that down as required by strategy when we include that in the preparation request document.

Page 10 is going to highlight for you those onetime expenditures I mentioned that would not be continuing into 2021. And then moving to page 11 through 13, that’s going to be the rider changes we’re proposing to make. I previously talked about rider 33 to propose an increase to the elected community managers and the travel increase for the advisory committee.

Also proposing some clean-ups to a couple of those strategies we think no longer are needed. For example, 34 -- item 34B where that’s carry forward dollars essentially -- that we’re having to ask to be budgeted a second time.

Moving to rider 37, some clean-up that probably should have been done years ago. There’s no longer
an annual report we believe is necessary because there’s no
investments to report on. And then rider 44 is proposed
elimination of the Adult Education and Literacy rider
because it’s not -- the funding for that program is not
allowed in that way. So, proposing to clean that up by
elimination.

And final the riders are proposed addition.
I think I may have mentioned this previously. On capital
budget if it’s federally funded for the capital budget to
move those funds from one biennium to the next if there’s
any available un-updated balances.

I was going to skip over the next few pages
until I get to on the Statewide Initiative. Looking at page
25, I believe is where we start on that. Just to give you
kind of where we have landed with the childcare initiatives.
The childcare quality reserve that we’re showing there on
row one and then the direct care contingency amount in ’19
through ’21 on row two. And then all the initiatives that
are being listed there.

Page 26, the next page, will be your WIOA
initiatives. I believe we just made that change for ’19 so
we will reflect that in the final documents on row -- I
believe that’s row four, your teacher externship program for
’19 shows currently 720,000, we just approved 1.4, so we
will of course reflect that.
COMM. HUGHS: And Randy on that, I’d ask my fellow Commissioners whether they would be willing to consider extending that amount to 2021. Just to have that consistency since I don’t anticipate the numbers are going to go down; if anything, they are going to go up.

CHAIRMAN ALCANTAR: What line number is that, Commissioner?

COMM. HUGHS: It’s says -- it’s line 4, 74046 for the teacher externship. The way we just voted we’re changing the 2019 to 1.4-million, but the question is you know whether we change it across through 2021. Get some good work done today will impact the future.

CHAIRMAN ALCANTAR: So that would be on page 26 --

COMM. HUGHS: Page 26 right, line 4. 24046 Teacher Externship Program.

CHAIRMAN ALCANTAR: Right. I’m supportive of that. Well, I guess we need a formal motion, right?

COMM. HUGHS: I move that on page 26, line 4, item 74046 the Teacher Externship Program, that we have that reflect a total of 1.4-million for budget years 2019 through 2021 for each year.

COMM. ALVAREZ: I would prefer we wait on it, but since it’s the Chairman’s last day, I will agree to that.
CHAIRMAN ALCANTAR: We are all in agreement.

Thank you, Commissioner.

COMM. HUGHS: Thank you.

CHAIRMAN ALCANTAR: Congratulations,

Commissioner.

COMM. HUGHS: Thank you. Similarly, I do have two requests. I’m not sure why it didn’t come up when we talked about it before. I guess we were voting on 2019, but I am looking, and I can tell you I was at Dyess last week for our Texas Transition Alliance, and overwhelmingly the enrollment for military spouses to take advantage of training opportunities is very positive. They’ve had 255 spouses that have applied. And one of the discussions among the board members at the Transition Alliance was the concern of what happens after the grant is -- expires.

So, we were able to share with them that as a Commission we did agree to 2019. Similarly, with that one and then 74062, which is the funding of $13,000 for the decals, ideally, I think that we would have that recognized as an initiative that we’re going to continue to anticipate will continue to be a need for through 2021. So, I would make a motion that we have it reflected for each of those subsequent years.

CHAIRMAN ALCANTAR: Commissioner Alvarez?

COMM. ALVAREZ: Hmm?
CHAIRMAN ALCANTAR: Do you want to defer on this one and see where this one lands?

COMM. HUGHS: And the idea just being that we want to make sure that our veteran initiatives continue into the future and that people who are relying on these programs and encouraging people to get this training, are not concerned that it is going to end.

MR. TOWNSEND: And if it helps, Commissioner, I believe that would leave you a balance of roughly 11 million in 2020 and then a little over that in 2021. So, there is a balance there.

CHAIRMAN ALCANTAR: Commissioner Alvarez?

COMM. ALVAREZ: Chairman, I’m okay with that. Just please keep in mind that when we talk about 2021 again that when the apprenticeship comes up I will be asking for the same support. So, with that I’ll second that.

CHAIRMAN ALCANTAR: Since there is an agreement, we are unanimous.

MR. TOWNSEND: We will reflect that in the final document, Commissioners. On page 27 that’s your TANF balance. I believe we’ve -- on -- we will reflect in there on row 3 the Workforce for Technical Specialist that was previously considered as an exceptional item of 2-million a year starting in ‘19 and continuing in 2020.

And then we also -- I think we need to change
the name of this on row 5, it’s the Te -- now called Texas Title Connect internship, we’re just going to change that to Texas Internship, I think we may have misunderstood the name -- the description we should be using for the name of that. That will be 1-million in '19 and 1-million in 2020. And that leaves currently we’re showing a balance roughly a million in each year for the TANF. So, I wanted to kind of show you the -- how that ended up. Okay?

And I believe the only other thing that I have is going to be on page 30 -- starting on page 32 and then it continues to 33. This is going to be the final numbers for the 2019 Operating Budget.

When we went through this -- I believe I pointed this out previously as well. We received subsequent instructions on how to show the 8.9-million of general revenue for the Voc Rehab program in 2019, not including our base. And so, we have brought that down -- there’s a 9 and a half million reduction and 8.9 of that is the GR for the Voc Rehab. So, we’ll make that as a supplemental request for 2019 during the session and there was a few other minor adjustments to that.

I have an order -- if you’re in agreement, I have an order amending the 2019 operating budget for your consideration. So as soon as we submit that as part of the let’s say appropriation request, the operating budget for
'19, I just thought it might make sense to go ahead and show that amended amounts.

And then a final in your packet -- I’ll just cover this briefly, I know you’ve been -- my understanding from Adam you’ve been briefed pretty thoroughly on this, is the performance targets that will be included in 2020 and 2021 appropriation request. I think there might be a number that we need to tweak on page 2 for the ’18 on the number of claims. It’s nothing significant and I think we just need to reflect the hurricane-related claims. Unless Adam had anything else, I believe -- or if you have questions about that, I believe that’s --

COMM. ALVAREZ: What are we talking about again? What page, Randy?

MR. TOWNSEND: Oh, I’m sorry, Commissioners. I thought there was -- at the end -- at the very end of your Tab 8, I think there was something called 2020 - 2021 LAR performance targets maybe?

COMM. HUGHS: Yes.

MR. TOWNSEND: Included in your materials?

COMM HUGHS: Uh-huh. After the green page.

MR. TOWNSEND: If not, I guess Adam -- and I believe -- my understanding you’ve been briefed on that. If you have any questions.

CHAIRMAN ALCANTER: Do we have any questions,
Commissioners?

COMM. HUGHS: No.

CHAIRMAN ALCANTER: We have no questions.

Thank you, Adam.

MR. TOWNSEND: That concludes my presentation on the amended ’19 Operating Budget and the 2021 Legislative Appropriations Request. And so, with that, if you have any questions or comments?

CHAIRMAN ALCANTAR: I want to thank you, Chris, and the rest of the team and Adam for all of the great work. It’s a lot of briefing, a lot of details. You guys did an excellent job. Commissioner Hughs, do we have a motion?

COMM. HUGHS: I move that we approve the Fiscal Year 2020 – 2021 Legislative Appropriations Request and the Amended 2019 Operating Budget as recommended and discussed.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTER: We are unanimous. Thank you.

AGENDA ITEM NO. 9

CHAIRMAN ALCANTAR: Item 9, Discussion, Consideration and Possible Action regarding Local Board Performance Measures and Targets for ’18 and ’19. Adam Leonard. Good morning, Adam.
MR. LEONARD: Good morning, Mr. Chairman and Commissioners. This morning, I’m here to present target recommendations for the Childcare Target Methodology to be used in ’19.

This was developed with considerable discussion with boards over the last several weeks where we were raising various ideas with them and seeking their feedback and trying to make adjustments. You all know that we’ve briefed you pretty extensively on this, and so I’m happy to answer any questions you may have or otherwise, I’m going to seek approval for the methodology that we plan to use going forward.

CHAIRMAN ALCANTAR: Any comments, questions?

COMM. ALVAREZ: No, sir.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHS: Thank you for your work on this. I move that we approve the discussed Childcare Targets Setting Methodology for Local Workforce Development Area Performance Measures and Targets for board contract years 2018 and ’19 as recommended by staff.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

MR. LEONARD: Thank you.

CHAIRMAN ALCANTAR: Thank you, Adam.
CHAIRMAN ALCANTAR: Item 10, Discussion,
Consideration and Possible Action Regarding the Acceptance
of Donations of $500 or more in accordance with government

MS. ORIA: Good morning, Chairman and
Commissioners. For the record, Nicole Oria, with the Office
of General Counsel.

Before you are the gifts and donations of
$500 or more in value, given to the Texas Workforce
Commission for the second quarter of calendar year 2018.
For your acknowledgment and acceptance, the last page is a
spreadsheet showing the gifts and donations. Thank you for
your consideration. Are there any questions?

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHS: I move that we acknowledge and
accept the gifts and donations of $500 or more in value
given to the Texas Workforce Commission.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank
you, Nicole.

MS. ORIA: Thank you.

AGENDA ITEM NO. 11

CHAIRMAN ALCANTAR: Item 11, Discussion,
Consideration and Possible Action Regarding Recommended
Changes to the VR Standards for Providers, Chapter 3.2,
Insurance Requirements. Cheryl Fuller, good morning.

MS. FULLER: Good morning, Mr. Chairman, Commissioners, and Mr. Temple. For the record, Cheryl Fuller, Vocational Rehabilitation. This morning I am bringing for your consideration and approval recommended revisions to the VR standards for providers, Chapter 3.2 regarding insurance requirements.

When we combined the two sets of legacy provider standards from Divisions for Blind and Rehabilitation Services last fall we added requirements for TWC VR contractors to carry several types of insurance. These included general or business liability, professional liability as required by the provider’s contract, auto liability if the provider transports customers, workers’ compensation, and premises liability if the contractor provides services in a location owned or leased by the contractor.

Shortly after the combined standards manual became effective, we began to receive feedback from several providers and particularly small business owners and sole proprietors, that the additional requirements imposed a burden on them. Some notified us that they would no longer do business with TWC VR citing the cost of maintaining the required insurance, along with other factors.

This was a concern to us because most, but
not all, of these providers, were those that assist our customers who are blind or visually impaired and we are already very challenged to find a sufficient provider base for this customer population.

We were also concerned that these additional requirements would adversely impact the recruitment of other providers in the future. The important thing to note is the general business liability, professional liability, and premises liability insurance are not required by law or rule.

To ensure that we are not placing additional burden on providers, particularly small business, and to ensure that we maintain a sufficient provider base to serve our customers, staff recommends that we default to the requirements set forth in relevant state and federal law, with one exception. The exception is to -- that we recommend updating the standards to include garage liability insurance which is currently in the contracts for vehicle modification providers and this is due to the potential risk to vehicles and equipment when those items are at a provider’s location awaiting modification or repair. This was not included in the standards due to an oversight.

Finally, we recommend that we retain the requirement that providers demonstrate their proof of auto liability insurance if they choose to transport VR
customers. I’d be glad to answer any questions.

CHAIRMAN ALCANTAR: Any questions?

COMM. ALVAREZ: I’m just curious, have you --

I know that -- the RCT policy group met regarding this. It
was on the explanation. I know you have a meeting on
Thursday. Will this be shared with them on Thursday as
well?

MS. FULLER: Yes. We brief our CT Policy
Committee prior to -- at every committee meeting prior to
the full RCT meeting. We talk about actions that have been
completed, as well as those that are planned.

COMM. ALVAREZ: And they were all in support
of this, I’m assuming?

MS. FULLER: Yes. They did understand our
desire not to impose requirements beyond that which is in
state or federal law.

COMM. ALVAREZ: I just have a little concern
with this, but --

CHAIRMAN ALCANTAR: Would you like further
staff review and discussion before you --

COMM. ALVAREZ: Well, we had some -- I will
tell you that we had some really good discussions with
Ms. Fuller and her staff.

I’m concerned with this a little bit as you
can -- can imagine; you know, these are my customers. We’ve
been talking about this for a couple of days now, my staff and I, and I appreciate John and Carline Geiger being involved in this. It is important that we be mindful of our customers and believe that staff has adequately addressed the concerns I had.

I mean, I’m -- Ms. Fuller, if you’ve said you talked to your staff and you’ve talked to the group and they are in full support of that, you know, there’s not really anything I can do. I mean, I’d really like to, you know, further understand how this whole process works, maybe a little bit more time on this. I’m not sure if this is time sensitive, though. Larry, is this time sensitive? Do we have contracts?

MR. TEMPLE: We have contracts we need to be getting out to be able to get to the -- who -- we are in open enrollment at this time now.

COMM. ALVAREZ: Well, Ms. Fuller, I just want to know -- I want you to know that I fully appreciate you and your staff being so cooperative in the questions that I had along with my staff. So, I want to thank you for that, first of all.

CHAIRMAN ALCANTAR: Commissioner Hughes, do you have any questions or comments?

COMM. HUGHES: Well, I would move that we approve the discussed changes to the VR standards for

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providers Chapter 3.2 insurance requirements as recommended by staff. And I appreciate Commissioner Alvarez’s concerns, but I would move that we go forward, assuming we have a second vote.

CHAIRMAN ALCANTAR: Commissioner Alvarez?

COMM. HUGHS: And I can appreciate that -- if he has concerns about his constituents, it may not be a vote he wants to currently support. I don’t know what your feelings are about it, Chairman, or if we should defer?

CHAIRMAN ALCANTAR: I certainly -- my staff looked at it and visited with the staff at the agency, and they got me to a place where I am comfortable on this and so I’d be supportive of that. Just -- so I would second. If you want to abstain, Commissioner, or --

COMM. ALVAREZ: I’ll abstain from the vote.

CHAIRMAN ALCANTAR: Okay. All right.

COMM. ALVAREZ: Thank you.

CHAIRMAN ALCANTAR: And we will ask staff to continue to consider and examine any potential issues and report back to the commission offices as we begin implementation of this.

COMM. ALVAREZ: Thank you, Ms. Fuller. Thank you.

MS. FULLER: Thank you.

AGENDA ITEM NO. 12
CHAIRMAN ALCANTAR: Item 12, Discussion, Consideration and Possible Action Regarding Adoption of New Rules Relating to the Services for Elder Individuals Program. Cheryl Fuller.

MS. FULLER: Good morning, again. For the record, Cheryl Fuller, Vocational Rehabilitation. This morning I will present four action items that are part of our ongoing efforts to update the Legacy DAR’s rules and fully align them with TWC’s rule base.

The first item for your consideration is final adoption of the proposed new rules for the independent living services for older individuals who are blind program. These rules have been updated to reflect the program as administered by TWC and moved to a new chapter, Chapter 853.

The proposed rules were published for public comment in the Texas Register on May 4th. There were no comments. Staff recommends adoption of the new rules.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHES: I move that we approve the adoption of new rules relating to the independent living services for older individuals who are blind program as recommended by staff.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.
CHAIRMAN ALCANTAR: Item 13, Discussion, Consideration and Possible Action Regarding Repeal of rules related to the Purchase and Gift and Services by TWC’s VR Program. Cheryl?

MS. FULLER: Again, Cheryl Fuller, for the record. This is the second of four action items. It’s the proposed repeal of Chapter 852 which contains only a single rule, 852.1, related to Alternative Purchasing Methods Rates for Medical Services.

In a later action item, we are recommending that this rule be included in Chapter 856 which contains the rest of the VR rules. The proposed repeal of this rule was published for public comment on May 4th. No comments were received. Staff recommends final adoption.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHES: I move that we approve the repealed rules relating to the purchase of goods and services by the Texas Workforce Commission Vocational Rehabilitation Services 40 TAC Chapter 852 as recommended.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

AGENDA ITEM NO. 14

CHAIRMAN ALCANTAR: Item 13 -- no, Item 14; Discussion, Consideration and Possible Action Regarding the Repeal of Rules related to the Criss Cole Rehab Center, the
independent living services for elder individuals who are blind program. Ms. Fuller?

MS. FULLER: Again, Cheryl Fuller, Vocational Rehabilitation. The third of four action items is adoption of the proposed amendments to the existing rules in Chapter 854 to repeal the rules related to the Criss Cole Rehabilitation Center and the independent living services for older individuals who are blind program.

In the first action item, you approved a new Chapter 853 for the older blind rules. This action item repeals the former rules for this chapter and in a later action item we’re proposing updated rules for CCRC being included in Chapter 856.

So, this item proposes to repeal them from their current location in Chapter 854. The proposed repeal of these rules was published for public comment on May 1st -- or May 4th. No public comments were received. Staff recommends the adoption.

CHAIRMAN ALCANTAR: CommissionerHughes?

COMM. HUGH: I move that we approve the repeal of rules relating to the Criss Cole Rehabilitation Center and independent living services for older individuals who are blind program as recommended.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.
AGENDA ITEM NO. 15

CHAIRMAN ALCANTAR: Item 15, Discussion, Consideration and Possible Action Regarding the Adoption of Amendments to the Existing Rules relating to Criss Cole previously published for public comments. Ms. Fuller?

MS. FULLER: Finally, Cheryl Fuller, Vocational Rehabilitation for the record. The fourth and final action item proposes amendments to Chapter 856 to add the updated CCRC Rules and the single rule from Chapter 852 related to alternative purchasing methods. These proposed rules were posted for public comment on May 1st -- May 4th -- keep saying May 1st -- May 4th. No comments were received. Staff recommends final adoption.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHES: I move that we approve adoption of amendments to existing rules relating to Criss Cole Rehabilitation Center and the purchase of goods and services by the Texas Workforce Commission Vocational Rehabilitation Services as recommended.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

Ms. Fuller, I’ve enjoyed working with you so much over the years. Thank you for your great leadership.

MS. FULLER: Thank you, Mr. Chairman.

AGENDA ITEM NO. 16
CHAIRMAN ALCANTAR: Item 16, Discussion and Consideration and Possible Action Regarding the Publication for Public Comment Proposed Rules Related to Board Oversight and Capacity. Joel Mullins, good morning.

MR. MULLINS: Morning, Chairman, Commissioners, Mr. Temple. For the record, I’m Joel Mullins with Workforce Development. Current TWC rule requires the Agency to evaluate at least annually each board’s oversight capacity including the board’s identity -- ability to identify and resolve longstanding board oversight problems.

On May 8th of this year, the Commission approved a policy concept to amend Commission Rules Section 802.67 to broaden the definition of the types of board oversight problems that can be evaluated by the rule, specifically amending subsection B, paragraph 6 to encompass severe board oversight problems and to include definitions of the terms severe and longstanding.

The policy concept was posted online for a three-week board comment period and no comments were received. This morning, staff seeks direction on proposed amendments to 40 TAC Section 802.67 for publication in the Texas Register for a 30-day public comment period. I’ll be happy to answer any questions.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHES: I move that we approve the
proposed rules relating to board oversight capacity, Chapter 802, to be published in the Texas Register for public comment.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We’re again unanimous.

AGENDA ITEM NO. 17

CHAIRMAN ALCANTAR: Item 17, Discussion, Consideration, Possible Action regarding the Adoption of Rules Related to Good Cause Process for SNAP E&T previously published for public comment on May 4th. Joel?

MR. MULLINS: Once again, Joel Mullins with Workforce Development. Current SNAP E&T Rules at 40 TAC Chapter 813 provides the criteria for good cause determination stating specifically that local Workforce Board staff make good cause determinations for mandatory work registrants.

Based on discussions with federal partners, this rule should be amended to clarify the respective roles of TWC and the Texas Health and Human Services Commission in the good cause determination process.

On April 17th of this year, the Commission approved proposed rules for publication in the Texas Register; the public comment period ended June 4th and no comments were received.

However, after the comment period, staff...
amended Section 813.13(a) to remove ambiguity regarding the final authority over approval of good cause plans by more clearly explaining that all good cause plans are forwarded to HHSC for determination.

This morning staff seeks direction on adoption of the Chapter 813 SNAP E&T rules related to good cause as included in your notebook materials.

CHAIRMAN ALCANTAR: I can’t help myself. Larry, was the federal government supportive of good, efficient, and effective delivery of services here?

MR. TEMPLE: They decided to go the other way on this one.

CHAIRMAN ALCANTAR: Okay.

MR. TEMPLE: They didn’t like efficiency that we’ve been doing since 1996. They decided they would renege on their waiver and make us be more costly and inefficient in our operation of our program.

CHAIRMAN ALCANTAR: And --

MR. TEMPLE: That’s why we had to pass these rules.

CHAIRMAN ALCANTAR: Impacted to state agencies, local board partners and all the operations?

MR. TEMPLE: In two other states. Not just -- they picked on Florida and Tennessee. There’s three of us that were doing it this way, and we were all considered
CHAIRMAN ALCANTAR: Interesting.

MR. TEMPLE: Yeah.

CHAIRMAN ALCANTAR: All in the name of inefficient governmental requirements?

MR. TEMPLE: Yeah.

CHAIRMAN ALCANTAR: Okay. All right. Do we have a motion?

MR. TEMPLE: My soapbox for the day. Thank you.

COMM. HUGHS: I’ll go along with that, but for the time being, I move that we approve the adoption of amendments to rules relating to the Good Cause Process for Supplemental Nutrition Assistance Program, Employment and Training, as recommended.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank you, Joel.

AGENDA ITEM NO. 18


MR. VADEN: Good morning, Commissioners. For the record, Jason Vaden, Workforce Division.
consideration this morning is the Childcare Development Fund state plan for program years 2019 through 2021. The plan is the primary mechanism that the Administration for Children and Families uses to determine compliance with requirements of the Childcare Development Block Grant Act.

This plan is the first since states fully implemented the new provisions related to childcare reauthorization. The plan includes sections on consumer education, providing stable financial assistance for families, ensuring equal access, information on health and safety standards, and continuous quality improvement efforts.

On April 3rd you approved a draft of the plan which was posted for public comment. Stakeholders also had the opportunity to provide input at three stakeholder meetings across the state. The final version of the plan before you incorporates feedback received during the public comment period, as well as changes based on recently issued federal guidance.

This morning, staff seeks direction and approval of 2019 through 2021 Childcare Development Fund State Plan for submission to the Administration for Children and Families. This concludes my remarks and I’m happy to answer any questions you may have.

CHAIRMAN ALCANTAR: Commissioner Hughes.
COMM. HUGHS: I move that we approve the Childcare and Development Fund State Plan for federal fiscal years 2019 through 2021 as discussed and for staff to make any technical corrections before submitting it to the Administration for Children and Families.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

AGENDA ITEM NO. 19

CHAIRMAN ALCANTAR: Item 19, Discussion and Consideration and Possible Action Regarding Publication for Public Comment Proposed Rules Related to Childcare Services, TRS Guidelines.

MR. VADEN: Again, for the record, Jason Vaden, Workforce Division. On May 8th, you approved a policy concept regarding modifications to TWC’s Chapter 809 Childcare Rules specific to requirements relating to the Texas Rising Star Program.

The policy concept incorporated feedback on the TRS Program from a work group that was convened earlier this year comprised of Workforce system and community stakeholders. A number of Workforce Boards commented on the policy concept and those comments were taken into consideration.

This morning, staff is seeking direction on proposed Chapter 809 rule modifications as reflected in your
This morning, staff seeks direction on these proposed amendments to the Commission’s Chapter 809 rules as set forth in your materials. This concludes my remarks and I am happy to answer any questions.

CHAIRMAN ALCANTAR: Commissioner Hughs?

COMM. HUGHS: I move that we approve the proposed rules relating to childcare services, rules in relation to the Texas Rising Star Guidelines, Chapter 809 to be published in the Texas Register for public comment.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank you, Jason.

AGENDA ITEM NO. 20

CHAIRMAN ALCANTAR: Item 20, Discussion, Consideration and Possible Action Regarding Texas Rising Star Assessor Mentor Funding. Courtney, good morning.

MS. ARBOUR: Good morning, Chairman, Commissioners, and Mr. Temple. Courtney Arbour, Workforce Division. Commissioners, as you know, since board contract year 14, the Commission has been approving funding to support the work of the mentors and assessors at the local workforce boards. In the operating grant for this next year, the Commission approved just under $3.6-million. And then in February with the Bipartisan Budget Act of 2018
being enacted, Texas saw an unprecedented amount of CCDBG funding and as part of your approval of a rollout of a plan for that funding, you approved an additional $3-million on June 14th.

We’ve been having conversations with the Workforce Boards about this additional funding and their ramp up and one of the comments they’ve been making is while they are appreciative of the funding that has been made available for the mentor and assessor work, that they know that with the increased demand to identify TRS providers throughout the state and to assist providers in reaching those higher star levels, that they believe in some cases the demand already outweighs the amount of funding that’s been provided.

So, we have -- we’re requesting direction from you and the authority to put out an additional $3.5-million to the Workforce Boards for support of their work, their mentor and assessor staffing.

Additionally, the distribution methodology for the mentor and assessor funding has not been reviewed in a number of years, and so staff have looked at that distribution and have briefed your offices with a recommended change that we’d also like some direction on.

The direction that we are seeking is that we would establish base funding for each board at 150,000 and
then apply -- after applying that base to each of the Workforce Boards, the remainder of that mentor and assessor funding would be distributed in the following way: 50 percent of the funds would be based on the Board’s relative percentage of the total statewide regulated providers and 50 percent would be based on the relative percentage of the total number of children under age 13 living in families at or below 150 percent of federal poverty level.

I do want to point out that while your notebook document references positions at a certain dollar amount, that was really just intended to get us to the base amount of 150,000. Boards will not be required to hire any specific number of staff, recognizing that they may want to use this funding to increase salaries of current staff and hire other FTEs, but they would have flexibility in doing that to best meet their local need.

So, with that, I would request your consideration for the $3.5-million. I will -- I want to also double back to indicate that would bring the total amount of -- the annual amount of funding for mentors and assessors to $10,084,137 and we would request to put a portion of that out immediately so that boards can begin their ramp up. So, a portion of that would go out in 2018.

CHAIRMAN ALCANTAR: Commissioners, any questions?
COMM. ALVAREZ: No questions.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHS: I move that we approve increasing TRS mentor and assessor funding by an additional 3.5 million for an annual amount of $10,084,137 and changing the TRS mentor and assessor distribution method as recommended by staff.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. I want to thank Courtney for all of the good work on this and TRS in general. Thank you, Courtney, and the team for so much work an effort that you’ve put into that one.

AGENDA ITEM NO. 21

CHAIRMAN ALCANTAR: Item 21, Discussion, Consideration, and Possible Action Regarding Additional Childcare Quality Funds for Local Boards. Courtney.

MS. ARBOUR: In my earlier item I referenced the bipartisan budget act of 2018 which brought a historic amount of CCDBG funding to the state of Texas. As on June 14th the Commission approved a plan for rolling out that funding that addressed direct care and a number of quality initiatives.

As part of that vote, the Commissioners directed us to make available $7-million to boards for quality improvement activity, and the majority of that
funding would be set aside for improving the quality of
infant and toddler care.

You also approved the use of those funds for
assisting providers in becoming TRS certified or retaining
their TRS designation.

So, our decision point for today is that we
seek direction on clarifying that they must expend at least
50 percent of their portion of the 7-million by improving
the quality of care for infants and toddlers.

In the discussion paper there are a number of
ways that the funding can be spent. I won’t list all of
those for the -- just for the sake of time. But some of the
items that we would place in their contracts is they can use
the funding for research and data analysis to identify areas
in the state where there’s a need for infant and toddler
care but a lack of available care or capacity.

That they would use the funding for consumer
education activities to provide information to parents of
infants and toddlers and that they could also use the funds
for training of caregivers on identifying and providing
services to infants and toddlers experiencing homelessness
and a number of other things as I mentioned in your
discussion paper.

We also would clarify to boards that they may
extend the additional quality funds related to assisting
providers in becoming TRS certified or assisting TRS certified providers in achieving higher TRS certification levels.

CHAIRMAN ALCANTAR: Commissioner Hughs?

MS. ARBOUR: With your agreement we would also -- excuse me -- with your agreement -- just going to go on and on -- we would seek direction on prohibiting boards from using the funds for consumables such as supplies, craft materials, laundry or cleaning supplies, office supplies. And now I am finished and happy to answer any questions.

CHAIRMAN ALCANTAR: Commissioner Hughs?

COMM. HUGHS: I move that we approve the discussed staff recommendations regarding the use of additional childcare quality funds for local Workforce Development Boards.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank you, Courtney.

AGENDA ITEM NO. 22

CHAIRMAN ALCANTAR: Item 22, Discussion, Consideration and Possible Action Regarding AEL Performance Funding Benchmarks for Program Year 2018–19. Good morning.

MS. BALLAST: Good morning, Chairman, Commissioners, Mr. Temple. Today we seek direction regarding performance-based funding benchmarks for all Adult
Education and Literacy grantees for program year 2018 – 19.

Chapter 805, Section 805(3)(d) indicates that the Commission shall establish annual performance benchmarks for grantees to earn up to 10 percent of their allocation as outlined in Chapter 800, Section 868(c)(3).

This year 3 percent of funds were held back in AEL allocations and staff have identified two measures by which grantees would earn these funds. Measure one would allow grantees to earn 2 percent of their performance funding allocation upon achievement of 60 percent of their total enrollment target by the end of quarter two of the program year. This measure incentivizes early program startup and expansion as new grant contracts were awarded in July.

Measure two would allow grantees to earn 1 percent of their performance funding allocation upon achievement of 95 percent of their end-of-year measurable skills target. This measure incentivizes program participant outcomes. We seek directions on this item today, and I will be happy to answer any questions.

CHAIRMAN ALCANTAR: Thank you. Commissioner Hughs?

COMM. HUGHS: I move that we approve the discussed AEL performance spending benchmarks for program year 2018 and ’19 as recommended by staff.
COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

AGENDA ITEM NO. 23

CHAIRMAN ALCANTAR: Item 23, Discussion, Consideration and Possible Action Regarding Proposed Amendments to Rules on AEL Title 2 to clarify language, delete obsolete terms and other allowable terms of the AEL Advisory Committee Members.


The Workforce Innovation and Opportunity Act provided substantial changes to definitions relating to Adult Education and Literacy -- what we know as AEL, participant eligibility, eligible providers, as well as changes to the overall intent of the law.

Additionally, in the four years since the transfer of the Adult Education program to TWC, staff have identified the need to amend certain parts of Chapter 805 based on management of the program and the addition of new rules in the Texas Education Code.

Today we seek direction on proposed Chapter 805 rules, modifications to better align to WIOA, including aligning definitions, essential program components, and
eligible providers with those described in WIOA, as well as remove program evaluation requirements for the use of AEL state leadership funds that are required in WIOA.

Additionally, we seek direction on amending Chapter 805 to better address program implementation needs, including that need to increase TWC Commissioner discretion and the development of performance benchmarks, remove high school diploma requirements for adults that are now addressed in the Texas Education Code for implementation by the Texas Education Agency, clarify staff requirements for instructional staff, modify other non-WIOA terms related to grant solicitations, increase advisory committee member participation periods and align requirements for the use of funds collected from tuition and fees.

This concludes my prepared remarks and I will be happy to answer any questions.

CHAIRMAN ALCANTAR: Thank you, Kerry.

Commissioner Hughs?

COMM. HUGHS: I did have a question. I know that we’re -- the request is to serve two-year terms and that makes a lot of sense to have a little more continuity for a longer period of time. But because we are trying to extend the amount of time, I wasn’t sure why there’s a request to limit it to no more than two terms rather than just evaluate reappointments as they come up. Is that
something staff feels strongly about? That was the only thing that stood out, because I know the intent is to have more continuity and have people serve longer.

MR. TEMPLE: No there’s -- I mean, what we were trying to do is find somewhere in the middle and to get new blood, obviously, as well. Try to find individuals in those respective areas but --

COMM. HUGHS: So, you want to have a limit -- a two-year?

MR. TEMPLE: It -- that was just something that we looked at. There’s nothing that requires it.

COMM. HUGHS: I might suggest we just change that second part under -- on lines 5 through 7 under C on page 21 -- where it might read instead of, I mean, limited to no more than two terms. Maybe instead it could say the Commission shall provide direction when appointing a member to a second term. And that’s really just an effort to give you all flexibility unless you don’t want it.

MR. TEMPLE: No. That’s -- I mean -- you.

COMM. HUGHS: I don’t know if my fellow commissioners --

MR. TEMPLE: The Commission will be making those nominations and, you know.

CHAIRMAN ALCANTAR: Commissioner Alvarez?

COMM. ALVAREZ: I’m okay with that.
MR. TEMPLE: Okay.

COMM. HUGHS: Okay. Well, with that amendment, I move that we approve the proposed amendments to rules on AEL Chapter 805 to be published in the Texas Register for public comment as amended.

MR. TEMPLE: Okay.

CHAIRMAN ALCANTAR: Do we have a second?

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous.

AGENDA ITEM NO. 24

MS. BALLAST: Thank you. And finally, today we seek direction regarding proposed rules for Chapter 800, Section 800.2 and Section 800.78 of the Texas Administrative Code.

Since the transfer of the Adult Education program in 2013, TWC staff have recognized the need to reevaluate the rules by which AEL funds are de-obligated based on the expenditure trends of AEL grant recipients.

The enrollment trends and related expenditures of grantees demonstrate high enrollments in the fall and weaker enrollments later in the year. The obligation periods currently in rule come too late to maximize the use of funds in areas demonstrating need after reallocation. Modifications proposed in the policy concept would move the de-obligation period up one month to allow
for an earlier and longer period of expenditure through the program year.

Additionally, staff have identified the need to align the current definition of Adult Education found in this chapter to the definition found in the Workforce Innovation and Opportunity Act. Staff has also identified the definition of project REO as the program is no longer operational.

Today we seek direction on those proposed rules for Chapter 800 which would align references, terms, and definitions with those described in WIOA and change the months during which expenditure thresholds are evaluated. This concludes my prepared remarks, and I am happy to answer any questions.

CHAIRMAN ALCANTAR: Commissioner Hughes, do we have a motion on item 24?

COMM. HUGHES: I move that we approve the proposed amendments to rules relating to Section 800.2 definition of AEL and Section 800.78 relating to midyear de-obligation of AEL funds to be published in the Texas Register for public comment.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank you, Kerry.

MS. BALLAST: Thank you.
AGENDA ITEM NO. 25

CHAIRMAN ALCANTAR: Item 25, Discussion, Consideration and Possible Action regarding the Approval of Local Board Nominees. Cam Bell?

MR. BELL: Good morning, Mr. Chairman, Commissioners, Mr. Temple. Cameron Bell, Workforce Development Division. Before you for your consideration and approval, our Workforce Development Board nominations for Workforce Solutions Gulf Coast, Coastal Bend, Permian Basin, South Plains, and Southeast Texas.

CHAIRMAN ALCANTAR: Commissioner Hughes?

COMM. HUGHES: I move that we approve local Workforce Development Board nominees for Gulf Coast, Coastal Bend, Permian Basin, South Plains and Southeast Texas.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We are unanimous. Thank you, Cam, and the team for all the great work over the years.

MR. BELL: It’s been my high honor and privilege.

AGENDA ITEM NO. 26

CHAIRMAN ALCANTAR: Item 26. Do we have no further statewide initiative updates? We do not.

AGENDA ITEM NO. 27

CHAIRMAN ALCANTAR: Do we have a Hurricane
Harvey update, Larry?

MR. TEMPLE: No, sir.

CHAIRMAN ALCANTAR: We do not.

AGENDA ITEM NO. 28

CHAIRMAN ALCANTAR: Item 28, Discussion, Consideration and Proposed Action Regarding State or Federal Legislation. Tom McCarty. Tom, I want to thank you and Michael, and the rest of the team -- Allison included, for all of the great work and support over the years. I really appreciate it.

AGENDA ITEM NO. 29

CHAIRMAN ALCANTAR: Item 29, Report and Update by the Executive Director. Larry, what do you have for us this morning?

MR. TEMPLE: Well, I want to make you aware if you are seeing a lot of people coming in and out of the building and working we are doing the Texas Specific Requirements of WIT this week.

So, we’ve got a big August deliverable that we are working on. I know that many of you -- the three of you have gotten comments and calls and interest in the gig economy and we have let everyone know that our current policy is after we require the employer/employee relationship to be able to be listed in WIT. No changes in that whatsoever. We’re certainly getting a lot of calls...
about it and interest, though, and I am sure you are, too.
And we are sticking to current policy based on your
guidance.

COMM. HUGHS: Larry, I appreciate that
update. I have been receiving interest in really providing
some clarity on the gig economy and the classification of
workers in that particular industry, and the marketplace
contractor industry.

MR. TEMPLE: Yeah.

COMM. HUGHS: I really like employers to have
an understanding of where we are in Texas and I’d like to
ask staff to bring forward a proposal of potentially looking
at an administrative rule that addresses the employment
status of marketplace contractors.

MR. TEMPLE: Okay. We can review and see
where we are and bring back to you all to see what’s there.

COMM. HUGHS: Great. Thank you. I think
that would be really helpful to have a clear set of
standards so that we know what the employment status is, and
we can really evaluate under that standard. So, a rule
might be a solution for that.

MR. TEMPLE: Okay.

COMM. ALVAREZ: I would agree with that.

We’re hearing more and more --

MR. TEMPLE: I know --
COMM. ALVAREZ: -- more jobs are gig economy.

MR. TEMPLE: You and I have had several conversations. We’ve been talking to the same person, I think, for a couple of years now.

COMM. ALVAREZ: Uh-huh.

MR. TEMPLE: Talking about that. And I would like to personally thank the Chairman for -- this will be -- last night was the last time after 21 years that I’ve talked to him the night before a Commission Meeting to make sure we had everything lined up. So, whether he was in the Governor’s office or over here serving as a Chairman, so I appreciate your support all the years and your leadership and good luck on your new adventure.

CHAIRMAN ALCANTAR: Thank you, Larry.
Courtney, Jennifer, Jason, Joel, and the rest of the Workforce Team, really great outfit. Great work over the years. I really appreciate it, your commitment to excellence and I will always appreciate that.

Les, your team; Diane, Joel, Suzanna, everyone, an honor to work with you. High quality of work. The counsel that you have given us have kept us on the right track. We’re really proud of the team that you have here, that you have in place and really appreciate the support.

I’ve been working with Jennifer, Cam and now Brian over the years. It’s been quite an honor. Reagan,
thank you so much. I congratulate you on your retirement. Your contributions have been significant. And you live with a great deal of respect and appreciation from our leaders across the state and serving our 28 boards. Thank you for your wise counsel to them over the years and all that you have done to elevate the performance of our Workforce system. You have been very important in terms of what we have accomplished. I just wish you great happiness moving forward.

You know, there are so many people. Tommy, in the ‘90s you have been there; you’ve been supportive. You supported and advised so many wonderful commissioners over the years. And our IT team has really developed quite a level of performance that I’m really proud of. Thank you for the work over the past couple of years. We’ve really stepped it up there when we needed to. And I just want to recognize your great work.

Ed and Randy. Randy, your work since the ‘90s gave you a big ole’ reworking of a lot of stuff and it worked. It always does, but it worked because of your great acumen and your wonderful focus on doing things in a way that protects our Agency here and overall in the support of a great fiscal stewardship -- it’s been an honor to work with you.

Yeah, Larry, you called me last night at

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10:30, and -- which is not unusual. It’s 7:00 a.m. and 9:00 a.m., 11:00 p.m. -- anytime of the day. That’s what we’ve had. It’s been an honor to work with you. I’m really proud of you.

I’m proud of the work that you have done over the years to really strengthen the TWC brand. It’s a strong brand, it’s a brand that is worthy of the recognition that it gets at the state level. And you’ve had -- you’ve been so key to so much of the accomplishments that have been achieved here over the years. I know that your staff is proud of you. I’m proud of you. It’s been an honor to have worked with you over the years. Really great that we have a wonderful friendship.

There’s so many people in this room that I’ve really enjoyed working with and I’m really proud of all of you and I really appreciate your support.

Jennifer, thank you -- really. You are exceptional. You’re exceptional in terms of our Agency. You know so much about public ed and higher ed. You know about economic development efforts in this state. You understand the overall strategy, and I thank you deeply for all the help.

Cam, Billy, are you listening in? Billy, thank you for all of the wonderful support that you’ve given me and really appreciated the thank yous that I got on the
road for your professionalism and your great customer service.

Cam, you’ve developed so fast and you’re an excellent advisor. Your capabilities are so evident and you’re a great advisor. You’ve fulfilled your role as a Senior Policy Advisor beyond my expectations. Really great to have worked with you.

And Brian, you are so impressive. We’ve only worked for a short period of time. You’re a great addition to TWC. You are quite insightful, and you bring so much and your legal expertise -- it’s so well-rounded. It’s a little different than what we have here which to makes you very unique and a great addition to our team. So, we’re very fortunate to have you at TWC.

And finally, my fellow commissioners, Julian and Ruth, it’s been an honor to work with you. I really appreciated the agenda that we’ve built together. More importantly, I’m proud that we were able to advance our agenda. We advanced it in a way that’s very powerful and impactful for so many people in need. It’s what this mission is all about. We’ve strengthened partnerships, we’ve leveraged all along the way. I thank you for your work together and, with that, I guess I close this.

Do I have a motion to adjourn this?

COMM. HUGHS: You may close, but you cannot
adjourn until I make a motion.

CHAIRMAN ALCANTAR: Okay.

COMM. HUGHS: And while you’re doing a great job at running out the clock, I do want to take a moment to thank you for your leadership. For welcoming us, for guiding us, for really having this tremendous enthusiasm, and expertise that you brought each and every day to the agency and to each of us. And trying to put together initiatives that are going to make a meaningful impact across the State long after your time here.

So, it’s been a very bittersweet day for us today, and I congratulate you and celebrate you. And look forward to being able to talk to you without public posting in the future.

Congratulations, and I won’t move to adjourn yet in case anyone else has any other words before I make the motion.

CHAIRMAN ALCANTAR: Thank you, Commissioner Hughes.

COMM. ALVAREZ: Before I make any comments regarding our Chairman, I’d like to take this opportunity to thank Reagan for all the great work you’ve done, Reagan. You’re certainly going to be missed here. You know, Larry’s right hand is going to be missing and so, you know, you’ve established a great team here. Wherever we went or wherever
we go we have always heard the name Reagan. We were out of
state last week and the first person that went up to us
couldn’t believe that you were retiring. And then, you
know, this is somebody that’s not even in our state. Word
got out quick that you were leaving us. And so, you’re
deeply going to be missed not only by our agency but those
that you became good friends with at NASWA and
(indiscernible). So with that, I just want to congratulate
you for the great work and for assembling such a great team
and I know we’ve got some good people that are going to be
trying to keep up with the great efforts you have, but you
have established with Courtney and some of the other folks
and Carrie, a good team. And thank you for working so
closely with my office. I know it’s tough sometimes, but I
really appreciate your efforts and that will not go
unnoticed.

Ladies and gentlemen, when you think of a
good communicator, someone who’s passionate, someone who’s
committed, you know, someone who has shown leadership, you
know, who do you think of? You know you think of our
Chairman.

You know our Chairman from day one has
displayed great leadership here. And you know, there’s a
difference between being a leader and someone who is being a
follower. And he certainly has displayed being a great
leader. By his actions, by what he’s been able to accomplish with not only the Governor’s office but also with Texas Workforce Commission. And I’m just glad to have been two years a part of that.

I brought my handkerchief in case I start crying, so I -- don’t cry. But I just wanted to -- I just wanted to take this moment to share with you that you are going to be greatly missed, and I look forward to seeing you around.

Of course, it’s going to be kind of cool because you can’t tell me what to do, but you certainly have been a great friend and colleague and I really mean that.

Yesterday we were with Mark presenting a check and one of the first things that came out of the folk’s mouth was, Chairman, we are going to miss you. And I said I’m not the Chairman; I’m Alvarez, unless you know something I don’t know, but I did say the Chairman is going to be gone or will be leaving us and people -- you’ve touched many lives and here’s what I found fascinating in my remarks yesterday.

Some of the state representatives were there and I acknowledged to them that without your continued support and the support of Commissioner Hughs and their continued support, those grants wouldn’t have been available. And so, we appreciate everything you’ve done.
There are many people in this room that admire the work that you have done. There are many people in this state that you have touched, and I appreciate that. Even my apprentices appreciate everything you have done and they still to this day have asked, you know -- they wish you well.

With that I brought a kiss to give you. Just on the record, this is the kiss that I will give to the Chairman.

CHAIRMAN ALCANTAR: I’ll accept that one.

COMM. ALVAREZ: Thank you. But again, just think of those qualities when you reflect on the Chairman and I ask that at sometime today, you know, after his little get-together and just conversations that you are having with other people, that you take some time to close your eyes and think about something that the Chairman did to touch your lives or the lives of our fellow Texans.

Just take the time and just, you know, think about how you’ve done that. Because we all want to be known as touching the lives or creating some type of legacy. And Chairman, you have created that legacy.

CHAIRMAN ALCANTAR: Thank you, Commissioner Alvarez.

AGENDA ITEM NO. 32

CHAIRMAN ALCANTAR: Commissioner Hughes, do we
have a motion?

COMM. HUGHS: I move that we adjourn.

COMM. ALVAREZ: I’ll second that.

CHAIRMAN ALCANTAR: We’re adjourned. Thank you. Have a great day.

(Proceedings concluded at 10:06:11 a.m.)
CERTIFICATE

STATE OF TEXAS )

COUNTY OF TRAVIS )

I, Kimberly C. McCright, Certified Vendor and Notary in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true, and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 30th day of August, 2018.

/s/ Kimberly C. McCright
Kimberly C. McCright
Certified Vendor and Notary Public

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