



**MEETING OF THE  
TEXAS WORKFORCE COMMISSION**

**DATE**

**AUGUST 2, 2022**

1 Tuesday, August 2, 2022

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: [Inaudible].

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

8 MS. MILLER: Good morning, sir.

9 CHAIRMAN DANIEL: Thank you. Let's take a  
10 short break.

11 CHAIRMAN DANIEL: We're back. This is Agenda  
12 Item 8, estimated UI trust fund balance report.

13 CHRIS NELSON: Good morning chairman,  
14 commissioners. For the record, Chris Nelson, chief financial  
15 officer. This morning you have the document which is the  
16 unemployment insurance trust fund projection, and this document  
17 is meant to serve kind of several purposes. One is to project  
18 the unemployment insurance trust fund balance more specifically  
19 on the upcoming October 1<sup>st</sup> date, and that date is important  
20 because as you recall, that's when the floor test is done to  
21 determine if the trust fund is above the floor which could  
22 impact a possible deficit tax, and it also looks to see if we're  
23 above the floor and a possible transfer from the ETIA fund into  
24 the skills appropriation which I'll walk through at the very  
25 end. So it's been a while since we've gone through this. I'll

1 kind of walk through the timeline of it. On October 1<sup>st</sup> at the  
2 very top right corner, 2021 we were 5.8 billion in the hole as  
3 far as the trust fund is concerned, and everything after that is  
4 basically a projection all the way up until this coming  
5 September 30<sup>th</sup>. We're projecting to receive 2.5 billion of  
6 revenue from employer remittances. You've got some depository  
7 interest and possible transfers from other states to make up  
8 another 23 million. Line 1.06 you see the 6.9 billion we  
9 received from SBA which got added to the trust fund. Some of  
10 that 5.8 billion immediately went to repay the Title XII loans.  
11 We've projected to collect another 104.5—or the 104.5 million  
12 was what we transferred last year that since we were below the  
13 floor, it transferred—the statute requires if you're below the  
14 floor to transfer any available balance from ETIA into the trust  
15 fund. So that 104 is what we transferred coming out of last  
16 year. We're projecting to pay just under 1.7 billion through the  
17 September 30<sup>th</sup> which leaves a projected balance of 2.157 billion  
18 on October 1. As you see on 2.01, I believe it is, we're  
19 projecting the floor to be 1.284 billion which puts the balance  
20 at 873 million above the projected floor. At the bottom it  
21 schedules out the ETIA funds so we started with the 105-million-  
22 dollar balance. We're projecting to collect another 132 billion.  
23 We removed the collection fee since we can't charge the UI grant  
24 for collecting the ETIA tax. We have to deduct any collection  
25 cost which is mainly staff cost. Then you see the 104.5 million

1 reduction that we transferred earlier up in 1.07 which leaves an  
2 estimated balance of the ETIA fund at 132.5 million. Since we're  
3 projecting to be above the floor, just under 20 million of that  
4 balance will go and it will basically replace the general  
5 revenue skills appropriation in 2023. It doesn't add to the  
6 skills appropriation. It just replaces the general revenue with  
7 the ETIA fund, and so that, and my next report probably in 3.04  
8 you'll see a negative 20 million dollars reducing that ETIA  
9 balance. That's all the comments I have. I'd be happy to answer  
10 any questions.

11 CHAIRMAN DANIEL: Any comments or questions?

12 COMMISSIONER ALVAREZ: None here, chairman.

13 COMMISSIONER DEMERSON: I would just like to  
14 applaud our Texas employers for the resiliency. This is a good  
15 report and it's always good to be above the floor in that  
16 particular case, and it's going to allow us to fund training  
17 programs like the skills development fund that's going to again  
18 aid our employees in the state as well.

19 CHAIRMAN DANIEL: All right, thank you, sir.

20 CHRIS NELSON: Thank you.

21 CHAIRMAN DANIEL: Agenda Item 9, WIOA  
22 statewide reserve distribution has been postponed to a future  
23 meeting. I'm showing that staff has nothing to present under  
24 Items 10 through 12. Is there a legislative report today? I  
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1 don't see anybody here doing that. Is there an executive  
2 director's report today?

3 MR. SERNA: No, sir, other than to say that  
4 several staff members will be in Arlington meeting with board  
5 members, local board members and executive directors at the end  
6 of this week so for [inaudible].

7 CHAIRMAN DANIEL: Thank you. Is there any  
8 other order of business to come before the commission?

9 COMMISSIONER ALVAREZ: Chairman, if I may  
10 recognize Kristie Caviness, Julio, from the communications team  
11 and that group, Brady Akers from my office, and the folks that  
12 served on panels at the GRACE conference. I thought the  
13 conference did well and we're excited on the responses that  
14 we've received as a result of putting that first-time conference  
15 together so I just wanted to recognize those individuals.

16 COMMISSIONER DEMERSON: Two quick things. I  
17 also, Commissioner Alvarez, commend the efforts and the team on  
18 the GRACE conference in San Antonio, well attended, good event,  
19 very emotional, well-driven event, and again, [inaudible] Texas  
20 employers with another option for this talented pipeline. And  
21 the secondly, thank you, gentleman, and the entire group, Ed,  
22 you team, for the Texas Interns Unite! initiative we held last  
23 Friday. Very successful conference with the Higher Education  
24 Coordinating Board so continue to appreciate Commissioner  
25 Keller's support of those efforts as well, and then Julia and

1 her team, I keep bumping into them at these conferences with  
2 [inaudible] and the like and so they're doing a phenomenal job  
3 of making all of those things happen, and that circles back to  
4 the leadership that you're providing, Ed, so thank you.

5 COMMISSIONER ALVAREZ: Chairman, if I also  
6 may congratulate you on the intern event that you had last week.  
7 Your staff did an amazing job, and to have us three there to  
8 participate was really cool, and to have Secretary of State  
9 Scott there as well. Another person I failed to recognize on my  
10 comments regarding the conference was the Office of Employer  
11 Initiative staff and of course, Reba Bacon and all her work for  
12 serving as the master of ceremonies.

13 CHAIRMAN DANIEL: All right, good stuff  
14 going on. Is there a motion to adjourn?

15 COMMISSIONER ALVAREZ: Chairman, I move that  
16 we adjourn.

17 COMMISSIONER DEMERSON: I second that  
18 motion.

19 CHAIRMAN DANIEL: It's been moved and  
20 seconded to adjourn and we're adjourned.

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