



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

JANUARY 9, 2024

1 Tuesday, May 28, 2024

2 CHAIRMAN DANIEL: Good afternoon, all. This
3 meeting is called to order. Mr. Trobman, has anyone signed up
4 for public comment? All right.

5 CHAIRMAN DANIEL: The motion passes with the
6 exceptions noted. That brings us to the end of Agenda Items 1
7 through 8.

8 CHAIRMAN DANIEL: We'll take a short recess.

9 MS. GONZALES: Thank you.

10 CHAIRMAN DANIEL: All right, this is Agenda
11 Item 9, estimated unemployment trust fund balance.

12 CHRIS NELSON: Good morning, chairman,
13 commissioners. For the record, Chris Nelson, chief financial
14 officer. This morning you have before you the updated or most
15 recent trust fund projection as of September 30, 2024, very
16 close to what we had last time. Right now we're still projecting
17 a balance as of September 30th of 1.64 billion with a floor of
18 1.37 billion. We just got in today the official first quarter
19 2024 wages so the floor is set by the taxable wages through the
20 second quarter so we have three of the four quarters so I just
21 got that today. I'll be evaluating that and may bring another
22 estimate back at the end of June but right now it's looking
23 pretty close to the 1.3 billion floor. So being above the floor
24 means we will transfer at this time to cover the Skills
25 appropriation and leaving a balance in the ETI account of

1 \$344,000,000 as of September 30th. That concludes my remarks and
2 I'd be happy to answer any questions.

3 CHAIRMAN DANIEL: Any comments or questions?

4 COMMISSIONER TREVIÑO: None here.

5 COMMISSIONER TREVIÑO: No questions.

6 CHAIRMAN DANIEL: Thank you, sir.

7 CHRIS NELSON: Thanks.

8 CHAIRMAN DANIEL: This is Agenda Item 10,
9 distribution and use of 4% quality improvement funds to boards
10 in board contract year 2025.

11 REAGAN MILLER: Good afternoon, chairman and
12 commissioners. Reagan Miller with Child Care & Early Learning
13 Division. This afternoon for your consideration is a discussion
14 paper to distribute an additional 4% in quality improvement
15 funding. This is in addition to the 2% quality improvement
16 funding that's required in state statute. This would increase
17 the board's child care quality improvement funding to 6% in
18 board contract year 2025. The statutorily required 2% would
19 continue to be included as part of the board's allocation. The
20 2% is carved out for quality improvement, and you will approve
21 this when you consider the board's BCY25 allocations at a future
22 commission meeting. We're recommending that the new 4% quality
23 funding which totals \$54,965,106 be distributed based upon the
24 relative proportion of child care services providers with 60%
25 based on the relative proportion of the programs and 40% based

1 upon the board's relative proportion of the licensed capacity of
2 these CCS programs. We're also recommending that the commission
3 direct staff to issue guidance to boards setting the parameters
4 for the use of these additional 4% funds in order to direct
5 these funds towards activities that directly benefit child care
6 providers in the child care workforce. The discussion paper
7 provides several examples of how boards could use these funds.
8 Boards will be required to submit a plan for TWC's approval on
9 the board's use of these additional 4% quality improvement
10 funds, and as we've been doing, TWC will post a copy of the
11 child care quality improvement plans both for the 2% and the 4%
12 funds on the Child Care & Early Learning webpage. Attachment 1
13 provides the board-by-board distribution amounts and I'm happy
14 to answer any questions.

15 CHAIRMAN DANIEL: Questions or comments?

16 COMMISSIONER TREVIÑO: No questions.

17 COMMISSIONER ESPARZA: No questions.

18 CHAIRMAN DANIEL: Is there a motion?

19 COMMISSIONER TREVIÑO: Chairman, I move we
20 approve the increase in board contract year 2025 child care
21 quality funding and the associated parameters for the
22 distribution and use of the quality funding as described in the
23 discussion paper and recommended today by staff.

24 COMMISSIONER ESPARZA: I second.

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CHAIRMAN DANIEL: It's been moved and seconded, and the motion carries. This is Agenda Item 11, waiver of the child care services rules in 40 Texas Administrative Code Section 809.91(f) regarding providers eligible for payment for a child care director's children.

REAGAN MILLER: Again for the record, Reagan Miller, Child Care & Early Learning Division. This afternoon we're bringing forward a request for a waiver of the child care rules. This waiver is being requested in accordance with Section 809.3 of the child care rules, and the waiver is requesting a waiver of Section 809.13(f). Under TWC's rules a child care director whose children have been determined eligible for CCS may not place her children within the child care program that she is the director for. We have received a request to waive this for a child care director in a rural county that's a child care desert. Within this county there are only two regulated child care programs and only one, her program, participates in CCS. We're recommending that based upon these circumstances the commission authorize a waiver of 809.91(f) to allow this parent to enroll her children in the CCS child care program in which she is the director.

CHAIRMAN DANIEL: Comments or questions?

COMMISSIONER TREVIÑO: No questions.

1 COMMISSIONER ESPARZA: I've got a question.
2 Can you—is this only for the director or is this anybody, any
3 program, any caregiver, employee of a [inaudible]?

4 REAGAN MILLER: So under our rules anybody
5 that's an owner of a program or a director of a program is
6 precluded from enrolling their children in that program that
7 they're a part of.

8 COMMISSIONER ESPARZA: OK.

9 REAGAN MILLER: Only for the directors and
10 owners.

11 COMMISSIONER ESPARZA: Very good.

12 CHAIRMAN DANIEL: If the commission were to
13 waive this rule, what additional checks and balances would be
14 put in place to ensure—we're protecting something obviously with
15 this rule. What additional checks and balances would be put in
16 place to protect that?

17 REAGAN MILLER: We are, so the rule was put
18 in place with the idea that an owner or director potentially
19 have a higher probability of malfeasance or fraud if they were
20 to be caring for their own children. This particular child care
21 provider is actually part of an independent school district so
22 this director doesn't operate the program independently of
23 additional oversight provided by the school district. We would
24 need to make sure that her children continue to remain actively
25 in care and we can certainly request that there be ongoing

1 checks. We are launching our new TX3C system. We have our new
2 automated attendance system so we can confirm that those
3 children are in fact in care if this waiver is approved.

4 CHAIRMAN DANIEL: So the child care center
5 is owned by the school district?

6 REAGAN MILLER: Correct. It's the child care
7 program of the ISD in that county.

8 CHAIRMAN DANIEL: So the director of this
9 child care center is an employee of the ISD?

10 REAGAN MILLER: That is my understanding,
11 yes.

12 CHAIRMAN DANIEL: Is it a pre-K program as
13 well?

14 REAGAN MILLER: I don't have the answer to
15 that.

16 CHAIRMAN DANIEL: So who handles the
17 finances for the child care center? Does the ISD handle those?

18 REAGAN MILLER: I would have to check. I
19 would assume under the ISD that it would likely be processed
20 through the ISD but we would have to confirm.

21 CHAIRMAN DANIEL: I mean it's possible the
22 central office is doing this as a matter of bookkeeping like
23 they do probably the other campuses.

24 REAGAN MILLER: Yes.

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1 CHAIRMAN DANIEL: So would the director in
2 this sense, would they—their duties would be different than
3 directors in other places?

4 REAGAN MILLER: Potentially. They likely
5 don't have as much governance over the entire child care program
6 since they are part of a larger organization. They're not
7 operating as an independent standalone entity. They are part of
8 the ISD.

9 CHAIRMAN DANIEL: I would presume the reason
10 this rule is in existence is because the director has to certify
11 what kids were in attendance that would be eligible for
12 subsidies, is that right?

13 REAGAN MILLER: It was put in place when we
14 actually took paper attendance from child care directors. We've
15 since moved to the parents actually recording their own child's
16 attendance so we actually have parent attendance tracking rather
17 than director attendance tracking but we've had this rule in
18 place, well, for many, many years when they used to report
19 attendance themselves.

20 CHAIRMAN DANIEL: Any other questions or
21 comments?

22 COMMISSIONER TREVIÑO: No, none here.

23 CHAIRMAN DANIEL: Is there a motion?

24 COMMISSIONER TREVIÑO: Chairman, I move we
25 approve the limited waiver of 40 Texas Administrative Code

1 Sectio 809.91(f) as described in the discussion paper and
2 presented today by staff.

3 COMMISSIONER ESPARZA: I'll second it.

4 CHAIRMAN DANIEL: Would you accept an
5 amendment that in exchange for the waiver, that someone from the
6 ISD would certify that those kids were in attendance?

7 COMMISSIONER TREVIÑO: Yes, I could accept
8 that.

9 COMMISSIONER ESPARZA: I'll accept it.

10 CHAIRMAN DANIEL: So it's moved and seconded
11 on the amendment. The motion before us is the motion was read by
12 Commissioner Treviño plus the amendment that someone from the
13 ISD would certify their attendance. Is there anyone opposed? The
14 motion carries.

15 REAGAN MILLER: Thank you.

16 CHAIRMAN DANIEL: This is Agenda Item 12,
17 board nominees.

18 SHUNTA WILLIAMS: Good afternoon, chairman,
19 commissioners, and Mr. Townsend. For the record, Shunta Williams
20 with the Workforce Development Division. Today for your
21 consideration we have board nominations for Workforce Solutions
22 Capital Area, Concho Valley, East Texas, North Central Texas,
23 Heart of Texas, Golden Crescent, North Texas, and West Central
24 Texas. Staff recommends approval on the presented nominees, and
25 I'm here to answer any questions you have.

1 CHAIRMAN DANIEL: Questions or comments?

2 COMMISSIONER TREVIÑO: No questions.

3 COMMISSIONER ESPARZA: No questions.

4 CHAIRMAN DANIEL: Is there a motion?

5 COMMISSIONER TREVIÑO: Chairman, I move we
6 approve the local Workforce Development Board member nominees
7 presented today for the following: Workforce Solutions Capital
8 Area, Concho Valley, East Texas, North Central Texas, Heart of
9 Texas, Golden Crescent, North Texas, and West Central Texas.

10 COMMISSIONER ESPARZA: I second.

11 CHAIRMAN DANIEL: It's been moved and
12 seconded, and the motion carries. Thank you. An executive
13 director's report?

14 MR. TOWNSEND: Yes, sir. Mr. Chairman,
15 commissioners, two weeks in a row. This afternoon I wanted to
16 mention to you last week TWC received two Best of Texas awards
17 presented from the Government Technology magazine at the Texas
18 Digital Government summit. [Inaudible], I apologize for the
19 pronunciation, received the award for excellence in project
20 management that was for our recent rollout of the Workforce Case
21 Management System, and TWC also received the award for Best
22 Workforce/Workplace Initiative for our IT software engineer
23 apprenticeship program so very exciting results from last week
24 as far as the awards for TWC. Also we'll just mention as you
25 probably know, we do have Courtney Arbour in attendance today as

1 her last day will be Friday. I think I made that announcement
2 last week that she will be moving on in another position but I
3 didn't know if you had any easy questions you wanted to toss at
4 her before she got out of here or not but I thought I'd just
5 give you that opportunity.

6 CHAIRMAN DANIEL: You have questions?

7 COMMISSIONER ESPARZA: I do. I have one
8 question.

9 CHAIRMAN DANIEL: OK.

10 COMMISSIONER ESPARZA: I'm addressing
11 Courtney.

12 CHAIRMAN DANIEL: Ms. Arbour, could you
13 just—probably I don't make you stand. You can sit there.

14 COURTNEY ARBOUR: Thank you.

15 CHAIRMAN DANIEL: For Commissioner Esparza's
16 many questions that—he has a whole list. I can see them. There's
17 a whole notebook dedicated to this. This is amazing.

18 COMMISSIONER ESPARZA: It's like a CVS
19 receipt. Courtney, assuming your role as executive director at
20 TDLR, are you aware of the number of elevators that are in the
21 [inaudible]? Will you be personally riding these elevators with
22 the keys to sign off and provide your signature on these
23 elevators?

24 COURTNEY ARBOUR: I'm going to be very, very
25 busy, yes, commissioner.

1 COMMISSIONER ESPARZA: Good. That was all of
2 my [inaudible] jot them down.

3 CHAIRMAN DANIEL: But you raise an
4 interesting point. So one of our elevators is making a weird
5 noise and it does this intermittently. Do you have any ideas as
6 to why that elevator might be making that weird noise?

7 COURTNEY ARBOUR: Give me two weeks and I'll
8 have an answer.

9 CHAIRMAN DANIEL: That's a good answer.

10 UNIDENTIFIED: That's a great answer.

11 COMMISSIONER TREVIÑO: So how far are you? I
12 think just across the street?

13 COURTNEY ARBOUR: Just across the street on
14 Colorado Street.

15 COMMISSIONER TREVIÑO: At least we'll be
16 close enough to go bug you every now and then but
17 congratulations, Courtney.

18 COURTNEY ARBOUR: Yes, thank you very much.
19 I hope we'll be able to continue working together.

20 COMMISSIONER ESPARZA: We have an elevator.

21 COURTNEY ARBOUR: And one that needs work. I
22 was going to blame Lowell but I guess now you can blame me.

23 CHAIRMAN DANIEL: No, that's probably
24 Lowell's fault. Any other questions.

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1 COMMISSIONER TREVIÑO: Just get ready for
2 the new acronyms over there too.

3 COURTNEY ARBOUR: I've asked for a
4 dictionary.

5 CHAIRMAN DANIEL: Well, since we made you
6 come all the way down here, congratulations. This is an
7 important role for the state but I think definitely your
8 leadership in government a fairly quick positive difference in
9 that agency. Regulatory agencies, you know, they have their
10 challenges just by the very nature of the thing. This agency I
11 think, TDLR, has been trying to do some good work and I think
12 because of occupational licensing and some other things, we're
13 going to—I think we're definitely going to continue to have some
14 overlap. I was doing my normal Friday afternoon reading of the
15 Labor Code and I discovered a whole chapter in the Labor Code, I
16 think it's 91 of the Labor Code, that talks about our shared
17 responsibility on something so you're not really getting away
18 from us at all, and I'll be exercising Chapter 91 a lot now that
19 I know that that exists.

20 COURTNEY ARBOUR: I can't wait.

21 CHAIRMAN DANIEL: I know you can't. The
22 anticipation is heavy in the room. Congratulations.

23 COURTNEY ARBOUR: Thank you.

24 CHAIRMAN DANIEL: Is there any other order
25 of business to come before the commission today?

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COMMISSIONER TREVIÑO: None here.

COMMISSIONER ESPARZA: No, sir.

CHAIRMAN DANIEL: Nope, is there is a motion
to adjourn?

COMMISSIONER TREVIÑO: Chairman, I move to
adjourn.

COMMISSIONER ESPARZA: Second.

CHAIRMAN DANIEL: It's been moved and
seconded to adjourn, Courtney concurs, and we are adjourned.