



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

SEPTEMBER 3, 2024

1 Tuesday, September 3, 2024

2 CHAIRMAN DANIEL: Good morning, no, it's
3 afternoon. Good afternoon, everyone. This meeting is called to
4 order. Mr. Trobman, has anyone signed up for public comment?

5 MR. TROBMAN: Good afternoon, commissioners.
6 Les Trobman, general counsel. We have one individual is here to
7 provide public comment. Mr. Ius, come on, introduce yourself and
8 begin.

9 MICHAEL IUS: Thank you, folks. My name is
10 Michael Ius. I'm standing before you today because last year,
11 about this time in August, I was let go by my company. I was
12 fired. I had a meeting with an investigator. He determined the
13 company was correct and when I appealed that decision my company
14 or my company at the time declined to participate and said they
15 would not file my or fight my determination to get an
16 appointment. I then had a meeting scheduled with Officer
17 Randall, 7:30 in the morning back in like in—I have it right
18 here. So I get in this meeting, I tried to call in to get on the
19 conference call, can't get through. They said I can't log into
20 the call. I called the 800 number, get someone online saying,
21 "Hey, I've got a call like in 10 minutes with Officer Barnstone.
22 I'm trying to get in." "Sir, you missed that call." "Oh." I call
23 Officer Barnstone, and I say, "Hey, I've missed the meeting. I
24 just spoke with the receptionist. They're telling me I need to
25 reschedule." "Yes, you need to reschedule," unbeknownst at the

1 time that missing a meeting will deny you benefits. So I thought
2 that was covered. I did get a meeting scheduled with Officer
3 Barnstone, hearing officer Barnstone, February 22nd after my
4 original hearing was supposed to be October 31st. We go through
5 the process. I mentioned to Officer Barnstone that I tried to
6 call in, no one would accept me into the call. He tells me in
7 practice when you call in, we should put you in the call. I
8 said, "Well, why didn't they?" "Let me look." Then he comes up
9 and says, "I can see you called in at 7:33." I said, "No, I
10 spoke with multiple persons before 7:33, three minutes late." He
11 then states that, "No, you did not and if our people—so you're
12 trying to tell me our employees don't know how to do their job."
13 I'm like, "Where is this coming from?" I just stated I tried to
14 call in and he said I didn't. I could see on my cell phone I had
15 two calls into the 800 number that morning on the 31st. He didn't
16 really listen or didn't believe me. So then we go through that
17 process. He basically hammers me for not making the meeting. We
18 go for the reasons for dismissal. All good. A couple or weeks
19 later I get another email saying your appeal has been denied
20 because you failed to call in prior to 7:30. At that point then
21 I got phone records from my cell phone provider and the
22 landline, Spectrum, [inaudible] showing I actually did try to
23 call in. And why are they only capturing my last call in versus
24 the call—my last call they could see at 7:33 and then at 7:38 or
25 something. I stated I made multiple calls. Denied. You claim is

1 denied because you missed the call by three minutes. You
2 reference some precedent that someone in the past missed a call
3 and so claim denied. So then I appeal it. A couple of months go
4 by. I get—this is going from February to March. I have a new
5 hearing scheduled with Officer Barnstone. I thought this was
6 odd. He just heard my appeal. The day of the hearing, April 10th,
7 it gets canceled. I get on the call and they say, "No, you
8 should have had a hearing with the officer. We should have come
9 in front of you guys." So this is now April. I kept calling
10 repeatedly, emailing, when am I going to get on the docket? "Oh,
11 we're so sorry. We made a mistake. We made a mistake. We know
12 this is urgent. We'll get it done, we'll get it done, we'll get
13 it done." So I missed last month. I missed the month before. I
14 finally get on the docket. Thank you. So now I'm standing here
15 before you really frustrated and part of it comes to the folks
16 I've been dealing with like Barnstone who basically called me a
17 liar. I provided the documentation that in fact, I did try to
18 call in. Why wasn't I placed in the call? This, in practice, I
19 don't know what that means in business, but it doesn't mean in
20 our policy. He'd say that in practice and putting in writing in
21 one of his appeal notes. Also, the other issue, then I'll drop
22 this, and you guys will get to this packet I'm sure at some
23 point, is whenever I tried to communicate with you guys, and I'd
24 send an email, I'd get a response back from someone that just
25 signs their initials, DNM [SP], was the one I got over and over.

1 Who is DNM? Do I have a phone number I can call? I had questions
2 about why my appeal was going to this level because I want
3 answers. No one would answer me. They would just say they were
4 shooting me to another appeal commission, appeal number. So, the
5 communication is lacking from staff to where, you know, they
6 work for us, the citizens of Texas. Don't be hiding behind
7 emails without your name and your title, and who you are. That's
8 very unprofessional and that it's taken a year, I guess, to get
9 a decision off of this. My company said that they're not going
10 to pay benefits or they won't pay me benefits and not going to
11 fight me because—that's a whole other issue, but they're not
12 fighting the fact that I'm applying and should be receiving
13 benefits. So that's it. Just very frustrated. This termination
14 happened one year ago in August, so a year and three or four
15 weeks, three weeks. That's it.

16 CHAIRMAN DANIEL: All right. Thank you very
17 much.

18 MR. TROBMAN: Thanks. And Mr. Ius, we'll
19 have our appeals management also reach out to you to coordinate
20 further. Thank you so much. And commissioners, that's what we
21 have.

22 CHAIRMAN DANIEL: Thank you, Mr. Trobman.

23 CHAIRMAN DANIEL: The motion passes with the
24 exceptions noted. We'll take a short recess.

25

1 CHAIRMAN DANIEL: This is Agenda Item 9,
2 amendments to 40 Texas Administrative Code Chapter 804, Jobs in
3 Education for Texans grant program.

4 COLLIN BRADLEY: Good afternoon, Chairman
5 Daniel, Commissioner Treviño, Commissioner Esparza, and Mr.
6 Serna. For the record, I'm Collin Bradley with the Workforce
7 Development Division. Commissioners, before you today for your
8 consideration and adoption are final rule amendments to Chapter
9 804, Jobs and Education for Texans. In an open meeting on June
10 18, 2024, the commission approved proposed amendments to TWC's
11 Chapter 804 rules. Changes made to the chapter were minor meant
12 to align it with terminology used in statute and reflect updated
13 program practices. The proposed rules amendments were published
14 to the July 5, 2024, issue of the Texas Register for a 30-day
15 public comment period. No comments were received. Additionally,
16 staff conducted the statutorily required four-year review of the
17 chapter and determined that the initial reasons for adopting the
18 chapter still exist and that the chapter is still needed. Staff
19 recommends adopting the amendments to Chapter 804. Should the
20 commission adopt these rules, staff requests the ability to make
21 minor nonsubstantive changes to the document in order to comply
22 with the publication requirements of the Texas Register and the
23 Office of the Secretary of State. This concludes my
24 presentation. I'm available to answer any questions you may
25 have.

1 CHAIRMAN DANIEL: Any comments or questions?

2 COMMISSIONER TREVIÑO: None here.

3 COMMISSIONER ESPARZA: No, chairman.

4 CHAIRMAN DANIEL: Is there a motion?

5 COMMISSIONER TREVIÑO: Chairman, I move that
6 we approve the adoption of amendments to 40 Texas Administrative
7 Code Chapter 804, Jobs and Education for Texans grant program as
8 recommended today by staff.

9 COMMISSIONER ESPARZA: I second.

10 CHAIRMAN DANIEL: It's been moved and
11 seconded and the motion carries. This is Agenda Item 10,
12 adoption of final rule reviews.

13 REED O'BRIEN: Good afternoon, Chairman
14 Daniel, Commissioner Treviño, Commissioner Esparza, and Mr.
15 Serna. For the record, I'm Reed O'Brien with the Office of
16 General Counsel. Texas Government Code Section 2001.039 requires
17 state agencies to review their rules every four years and
18 determine if the initial reasons for adopting the rules continue
19 to exist. Before you today for your consideration for re-adoption
20 of rules are the following five chapters from Title 40 of the
21 Texas Administrative Code: Chapter 823, Integrated Complaints
22 Hearings and Appeals; Chapter 837, Apprenticeship Training
23 Program; Chapter 840, WIOA-Eligible Training Providers; Chapter
24 842, WIOA Nondiscrimination and Equal Opportunity; and Chapter
25 858, Procurement and Contract Management Requirements for

1 Purchase of Goods and Services for Vocational Rehabilitation
2 Services. In an open meeting on July 9, 2024, the commission
3 approved the proposed review of those chapters for publication
4 in the Texas Register for a 30-day public comment period. The
5 proposed rule reviews were published to the July 19, 2024, issue
6 of the Texas Register and no comments were received. Staff
7 reviewed the five chapters and determined that the initial
8 reasons for adopting the rules continue to exist and that the
9 chapters are still needed. In accordance with the Government
10 Code's requirements, staff recommends that the commission
11 readopt Chapters 823, 837, 840, 842, and 858 as included in
12 today's meeting notebook and published on the agency's website.
13 This concludes my presentation. I'm available to answer any
14 questions you may have.

15 CHAIRMAN DANIEL: Any comments or questions?

16 COMMISSIONER TREVIÑO: None here.

17 COMMISSIONER ESPARZA: No, no questions.

18 CHAIRMAN DANIEL: Is there a motion?

19 COMMISSIONER TREVIÑO: Chairman, I move that
20 we approve the adoption of final rule reviews for the following
21 chapters of Title 40 of the Texas Administrative Code chapter as
22 recommended today by staff: Chapter 823, Integrated Complaints
23 Hearings and Appeals; Chapter 837, Apprenticeship Training
24 Program; Chapter 840, the WIOA-Eligible Training Providers;
25 Chapter 842, WIOA Nondiscrimination and Equal Opportunity; and

1 Chapter 858, Procurement and Contract Management Requirements
2 for the Purchase of Goods and Services for Vocational
3 Rehabilitation Services.

4 COMMISSIONER ESPARZA: I second.

5 CHAIRMAN DANIEL: It's been moved and
6 seconded and the motion carries. Thank you.

7 REED O'BRIEN: Thank you.

8 CHAIRMAN DANIEL: This is Agenda Item 11,
9 recertifications of community rehabilitation programs to
10 participate in the Purchasing from People with Disabilities
11 program.

12 JUAN GARCIA: Good afternoon, commissioners,
13 Mr. Serna. Juan Garcia with the Voc Rehab Division.
14 Commissioners, for your consideration and possible action this
15 afternoon we have three CRPs that are applying for
16 recertification to continue participation in the Purchasing from
17 People with Disabilities program. Desk reviews, compliance desk
18 reviews of these three CRPs determined that their program models
19 don't align with the PPD program rules so we are recommending a
20 one-year conditional recertification of these three CRPs to
21 allow them to develop a solution to bring their program models
22 into compliance. The three CRPs are as follows: The Austin
23 State-Supported Living Center in Austin; the San Antonio State-
24 Supported Living Center in San Antonio; and the Texas Alcoholism
25 Foundation in Houston. So staff recommends the one-year

1 recertification of these three CRPs to allow them time to bring
2 their programs into compliance with the PPD program rules. With
3 that I can answer any questions you might have.

4 CHAIRMAN DANIEL: Any comments or questions?

5 COMMISSIONER TREVIÑO: None here.

6 COMMISSIONER ESPARZA: No questions.

7 CHAIRMAN DANIEL: When did we discover that
8 these three entities were out of compliance with the program
9 guidelines and regulations?

10 JUAN GARCIA: We did a desk review of Texas
11 House back in June of 2023 and so we worked through the process
12 of bringing that up and consulting with OGC and the state-
13 supported living centers that was, I believe, about July or
14 August of that, of 2023 when we did a desk review. I believe
15 that's the case there.

16 CHAIRMAN DANIEL: When does their—so they're
17 asking for recertification. When does their current
18 certification end?

19 JUAN GARCIA: I would have to look that up,
20 commissioner. I believe that the state-supported living centers
21 were due for recertification back in August of this year if I'm
22 not mistaken, and Texas House was due, if I'm not mistaken, June
23 of this year but I'd have to check those things for you, sir.

24 CHAIRMAN DANIEL: So what—commissioners,
25 what concerns me about this staff proposal today is that we're

1 being asked to certify something that we know is incorrect, and
2 we've had about a year to fix this problem. We've had these desk
3 audits done a year ago. Here we are more than a year later and
4 we still haven't fixed anything. I'm uncomfortable voting to
5 certify something that I know to be incorrect. On the other
6 hand, I see the merit in giving people enough time to fix the
7 problems that they have. Obviously, all three organizations it
8 would appear to me are doing good work. They're doing something
9 that's beneficial to the Texas workforce so I'm caught in what
10 may very well be just a personal catch-22 between I don't want
11 to vote to do something, let something go forward that I
12 absolutely know is incorrect because staff told me it was
13 incorrect versus I don't want to just kill the certification.
14 I'm presuming there's no middle ground here. I don't even think
15 we have—I don't even think we have rules that tell us to do this
16 one-year temporary certification so we're kind of blazing new
17 ground here. I'm wondering if they are already on expired
18 certifications, I mean there's a lot going on here that I can't
19 quite unpack all of it.

20 MR. SERNA: If I may, Mr. Chairman and
21 commissioners, two things. One, staff does not disagree with you
22 that there's not—unfortunately, there's not a middle ground and
23 it's sort of uncomfortable to provide a one-year extension. The
24 reason for the one-year extension is we believe that the fix is
25 going to be legislative. If the legislature is inclined to do

1 that, then these organizations will have to seek that change.
2 This gives them time to do that, the governor to—if there is a
3 bill for the governor to execute that bill, and then if not,
4 allow them I guess basically a smooth winddown. We've already
5 indicated that short of—that there's nothing that the agency
6 could do including in rule without the appropriate authority.
7 Now the other thing is we could continue to simply allow them to
8 operate but it undermines the certification from the perspective
9 of other CRPs that have delayed—don't have a similar problem but
10 simply delayed at getting their information to us. The threat
11 that we have is to not recommend their recertification and
12 therefore remove them from the program but that's for different
13 circumstances so just to kind of explain why we've chosen this
14 option and also why it's taken us so long. I've had several
15 meetings with Texas House, there's another organization that
16 will probably be coming up and one of the state schools trying
17 to come up with a solution that is not available short of a
18 legislative fix.

19 CHAIRMAN DANIEL: So can I conclude then
20 that the reason for their inaction over the last 12 months is
21 they simply cannot fix it?

22 MR. SERNA: They have been attempting to
23 figure out ways, working with us and working independently and
24 with their own attorneys and other advisors to quote fix it
25 which is basically to turn these individuals into employees.

1 They can't do that. They can't turn them into employees and
2 there's not a mechanism for us to recognize an individual who is
3 not an employee in the program as an employee but part of the
4 delay is they've been looking for a fix and have finally come to
5 the conclusion that they can't find a fix short of a legislative
6 fix so that kind of is where we're at right now.

7 CHAIRMAN DANIEL: So what's our waiver
8 authority here? Is it written into the rules what we can and
9 can't waive, whether the commission waives it, the executive
10 director? What are our sort of options relative to that?

11 MR. SERNA: I believe that what I've been
12 briefed is that we can't waive the employment requirement. We
13 can recertify the organization, allow them to operate as they
14 have been operating for several years now prior to the program
15 coming to the agency. It wasn't brought to our attention that
16 they were doing this until we conducted the desk audit. We only
17 have two individuals going out there to conduct desk audits of
18 all the programs.

19 CHAIRMAN DANIEL: I presume we can't waive
20 it because it's a statutory requirement?

21 MR. SERNA: Yes, sir.

22 CHAIRMAN DANIEL: So if we do an additional
23 year of certification, we still have the same violation of the
24 statute?

25

1 MR. SERNA: Yes, sir. And if there's not a
2 fix and we've already indicated to these CRPs that we would not
3 recommend recertification beyond the one year that we're doing
4 right now so they have a year to try to get it addressed in the
5 legislature. We have indicated to them that that is their to-do,
6 not our to-do.

7 CHAIRMAN DANIEL: What are the consequences
8 to them if they don't get recertified?

9 MR. SERNA: They won't be able to sell any
10 of the services under the Purchasing from People with
11 Disabilities program. That's a revenue source that goes back and
12 supports the individual programs so they would lose what is
13 probably a substantial revenue source unless the agencies that
14 they are working with are inclined to want to simply continue to
15 contract with them but in that case there's still a catch-22
16 because agencies are required to use the program unless there
17 are particular circumstances that exist that allow them to go
18 outside the program for services that are provided in the
19 program. I know that sounds like a lot of-

20 CHAIRMAN DANIEL: No, no.

21 MR. SERNA: Catch-22 language but it is a
22 catch 22, use the program unless there's somebody that--something
23 that's provided that's not in the program. In this case there
24 are services that they provide that are provided by other CRPs
25 in the program.

1 CHAIRMAN DANIEL: And just so I can be
2 clear, that's because we have these three entities that can't
3 qualify statutorily. The problem is that whatever model they're
4 using is in violation of a statute, and so they can't get
5 certified under the regular rules that we have or the statute as
6 it's existing. They haven't had I guess any cause to change what
7 they're doing despite being in violation of the statute and
8 basically, we would give them—the proposal is to give them one
9 more year so they can try to get the legislature to fix it for
10 them.

11 MR. SERNA: Yes, sir, in a nutshell.

12 CHAIRMAN DANIEL: Is there any other
13 comments or questions? Is there a motion?

14 COMMISSIONER TREVIÑO: Chairman, I move that
15 we approve a one-year recertification of the following community
16 rehabilitation programs for participation in the Purchasing from
17 People with Disabilities program as recommended today by staff:
18 Austin State-Supported Living; San Antonio State-Supported
19 Living Center; and the Texas Alcoholism Foundation Incorporated,
20 dba Texas House.

21 COMMISSIONER ESPARZA: I'll second.

22 CHAIRMAN DANIEL: It's been moved and
23 seconded. Show me as voting no. I assume with the motion and the
24 second that the other two commissioners are voting yes.

25 COMMISSIONER ESPARZA: Correct.

1 CHAIRMAN DANIEL: All right, let the record
2 reflect that. Thank you.

3 JUAN GARCIA: Thank you, sir.

4 CHAIRMAN DANIEL: All right. This is Agenda
5 Item 12, Texas Workforce Commission fiscal year 2025 operating
6 budget and 2026-27 legislative appropriations request.

7 CHRIS NELSON: Good afternoon, chairman,
8 commissioners, Mr. Serna. For the record, Chris Nelson, chief
9 financial officer. This afternoon you have several documents
10 related to our 2025 operating budget and 2026-27 legislative
11 appropriation request. The first one is the exceptional items
12 from our last meeting. All items were approved with the
13 exception of two, the Civil Rights and the COVID-19 vaccine
14 mandate. Those items were asked to be brought back and so I'm
15 bringing that item back, and then once the commission makes a
16 decision on those two items, I'll ask the commission to vote on
17 priority of all the exceptional items.

18 CHAIRMAN DANIEL: All right. Let's just take
19 them up here in the order that they appeared in Chris's original
20 document which means on Civil Rights, I don't think we need a
21 motion. We can just move down the line and understand whether we
22 want it in or want it out. That's the question before us. I
23 think we're OK on doing it this way. Commissioner Treviño.

24
25

1 COMMISSIONER TREVIÑO: OK. I would say we
2 could leave it in but move it down to second to the last, right
3 before the COVID-19 if that's OK.

4 COMMISSIONER ESPARZA: I'll support that.

5 CHAIRMAN DANIEL: All right. I'm for leave
6 it out so let the record reflect that. I don't think we've made
7 a case for why we need this. I don't think we should be asking
8 the legislature for this money. It seems very premature. I think
9 this is a conversation for next session and so I just want to
10 make sure to get that objection on the record. All right. Then
11 we'll move to the COVID-19 employer vaccination mandate
12 prohibition.

13 COMMISSIONER TREVIÑO: That one I have
14 either way. I go either way. It doesn't matter if it's in or
15 out.

16 COMMISSIONER ESPARZA: I'd like to leave it
17 out on this here.

18 CHAIRMAN DANIEL: I'm sorry, Joe. I didn't
19 hear you.

20 COMMISSIONER ESPARZA: Excuse me?

21 CHAIRMAN DANIEL: In or out?

22 COMMISSIONER ESPARZA: Leave this out.

23 CHAIRMAN DANIEL: OK.

24 COMMISSIONER ESPARZA: On this one. I'd like
25 to see this removed from our request only to see the volume. I

1 want to make sure that I support protecting these, you know, the
2 employer vaccination, SB7, I support that action that we're
3 doing here in Texas. I want to find out, you know, the volume
4 that we're going to see as far as continuing into the next
5 biennium and then make sure that we're supporting that but I
6 would vote to leave that out.

7 CHAIRMAN DANIEL: I would also vote to leave
8 it out. It also seems premature. I think like the Civil Rights
9 situation, we're trying to guess a situation instead of
10 understanding the situation. We have mechanisms to request funds
11 through supplemental appropriations and a couple other methods
12 that are available to us and so just like the last one, I'm a
13 vote to leave this one out. Same reason, it's premature and I
14 don't think we have the acute need that this would indicate that
15 we have. So it looks like based on the vote here today, Civil
16 Rights is in, COVID-19 employer vaccination mandates is out.

17 CHRIS NELSON: That's correct.

18 CHAIRMAN DANIEL: All right. What else do
19 you need?

20 CHRIS NELSON: Rank the priority.

21 CHAIRMAN DANIEL: Rank them?

22 CHRIS NELSON: Yes, so when we submit to the
23 Legislative Budget Board, we have to rank these by priority.

24 CHAIRMAN DANIEL: All right. This is like-
25 this is going to be complicated maybe or maybe not. Let me just

1 go one by one on the order that Chris listed here which are in
2 no particular order. This is just the order Chris worked on them
3 at. Let's see if we can find some consensus on some things and
4 we'll take that consensus, and then I think we'll work through
5 the rest of them. We've got to do the exceptional items and then
6 we also have to do the capital items as well.

7 CHRIS NELSON: Correct, they both have to be
8 in priority order.

9 CHAIRMAN DANIEL: OK. Let's just take up the
10 regular exceptional items first. The first one is Vocational
11 Rehabilitation General Revenue for Federal Match. I actually
12 have that listed as number one on my list.

13 COMMISSIONER TREVIÑO: Yeah, I would agree.

14 COMMISSIONER ESPARZA: Agreed.

15 CHAIRMAN DANIEL: All right. Texas Education
16 Code Chapter 133, Apprenticeship Training, is next.
17 Coincidentally I have this second on my list as well.

18 COMMISSIONER TREVIÑO: I agree as well.

19 COMMISSIONER ESPARZA: Yeah, that'll work.

20 CHAIRMAN DANIEL: Texas Veterans Leadership
21 program. There's two veterans items on here. This is Texas
22 Veterans Leadership program. It's listed third here. I have it
23 third on my list. I have it third on my list because this is
24 replacing money that's not going to be there and we've got to
25

1 figure out how to pay for this very valuable program so I have
2 it listed third on my list.

3 COMMISSIONER TREVIÑO: I agree too.

4 COMMISSIONER ESPARZA: Agreed.

5 CHAIRMAN DANIEL: All right. The next one
6 listed is Older Individuals Who are Blind for program client
7 services. I have it listed sixth on my list.

8 COMMISSIONER TREVIÑO: So you're going to
9 move it up to four?

10 CHAIRMAN DANIEL: No, I have it listed as
11 sixth, still have it listed as sixth. I'm going in the order
12 Chris listed it and trying to assign a number. I'm trying not
13 to—I don't want to go in the number I did it because then that
14 influences the conversation too much perhaps. If you're asking
15 me, I have Texas Veterans Network as four and Workforce
16 Readiness Outreach and Youth Services five, and Older
17 Individuals Who are Blind sixth. Let me also add right here just
18 as a point of personal privilege, gentlemen, if you need—if you
19 need—when are you going to turn this in?

20 CHRIS NELSON: It's due Friday.

21 CHAIRMAN DANIEL: It's due Friday. We could
22 submit our rankings to Chris and let him break the tie breakers
23 if you feel like we're put on the spot or we're going to take
24 some time this afternoon and talk through it but it is due

25

1 Friday, and that's like—that's what's called a hard deadline in
2 governmental terms.

3 CHRIS NELSON: That's correct.

4 CHAIRMAN DANIEL: They mean now.

5 CHRIS NELSON: Yes.

6 COMMISSIONER ESPARZA: I'm good up to six.

7 I'll let you know that.

8 CHAIRMAN DANIEL: You're good with Older
9 Individuals being at sixth?

10 COMMISSIONER ESPARZA: Well, your four,
11 five, and six.

12 CHAIRMAN DANIEL: Oh, you like my four,
13 five, and six in that order?

14 COMMISSIONER ESPARZA: [Inaudible].

15 CHAIRMAN DANIEL: OK. If we can close out
16 the conversation then, I've got—I have career schools and
17 colleges FTEs at seven, Labor Market Information FTEs at eight,
18 and then Labor Law enforcement at nine is how I closed it out.

19 COMMISSIONER ESPARZA: I had career schools,
20 the career schools and colleges that one FTE at seven. What did
21 you have it as? You had it at eight?

22 CHAIRMAN DANIEL: Seven.

23 COMMISSIONER ESPARZA: OK.

24

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1 CHAIRMAN DANIEL: And then I had Labor
2 Market Information at eight, and I had Labor Law enforcement at
3 nine.

4 COMMISSIONER ESPARZA: OK. I see.

5 CHAIRMAN DANIEL: So if I'm just going with
6 the majority votes, it looks like eight and nine are the only
7 two that need to be determined because I said I had four, five,
8 and six. Commissioner Esparza agreed with my four, five, and
9 six. Commissioner Esparza and I agreed on seven, and so that
10 leaves Labor Market Information FTEs and Labor Law enforcement
11 as the two that have not been ranked. One would be eight and one
12 would be nine.

13 COMMISSIONER ESPARZA: I had eight at Labor
14 Market-LMI FTE at eight.

15 CHAIRMAN DANIEL: Then we agree on that as
16 well.

17 COMMISSIONER ESPARZA: Yeah, and then Labor
18 Market-Labor Law.

19 CHAIRMAN DANIEL: So again, if we just go
20 with the majority vote, that's going to get that. Let me read
21 these to make sure we're all in agreement that this is what we
22 have, and then if there's any comments or questions, we'll
23 certainly take those up. So I have Vocational Rehabilitation
24 General Revenue for Federal Match. I have that our consensus was
25 one. I have Texas Education Code Chapter 133, Apprenticeship

1 Training, I have a consensus vote for that as two. Texas
2 Veterans Leadership program, I have a consensus vote on that as
3 three. Texas Veterans Network, I have at least that Commissioner
4 Esparza and I voted that one to be fourth.

5 COMMISSIONER TREVIÑO: Yeah, I'm good with
6 four.

7 CHAIRMAN DANIEL: OK, consensus. Fifth would
8 be Workshop Readiness Outreach and Youth Services.

9 COMMISSIONER TREVIÑO: I'm good with that
10 one.

11 CHAIRMAN DANIEL: Older Individuals Who are
12 Blind would be ranked sixth. Career Schools and Colleges FTE
13 seventh. Labor Market Information FTE eight, and Labor Law
14 Enforcement ninth. That's based on consensus votes and then
15 majority votes on those individuals. If there's any concerns,
16 comments, questions, we probably really do have to take those up
17 right now. All right. No concerns.

18 COMMISSIONER ESPARZA: No concerns.

19 CHAIRMAN DANIEL: I move then that we rank
20 those in the order that was discussed and that I just read.

21 COMMISSIONER TREVIÑO: Chairman, Civil
22 Rights would be the last one then, right?

23 CHAIRMAN DANIEL: Oh, correct. Thank you.
24 That would be tenth. Good catch.

25

1 CHRIS NELSON: The legislature will tell us
2 their order next year.

3 CHAIRMAN DANIEL: All right, so as I read
4 it, as Commissioner Treviño pointed out, the tenth one would be
5 Civil Rights. I move that. Is there a second?

6 COMMISSIONER TREVIÑO: I second.

7 CHAIRMAN DANIEL: It's been moved and
8 seconded. Is there any objection? Hearing no objection, the
9 motion carries. All right, moving on then to this would be our
10 capital budget and IT. Unless somebody feels strongly about it,
11 I thought the order they were in was probably the order I would
12 go but I would love to hear your thoughts about it.

13 COMMISSIONER TREVIÑO: I was thinking that
14 order was fine too.

15 COMMISSIONER ESPARZA: I'll agree.

16 CHAIRMAN DANIEL: Is there any reason that
17 shouldn't be the order, Mr. Serna?

18 MR. SERNA: That's all right.

19 CHAIRMAN DANIEL: I can make the motion or
20 you can. I don't care who does it.

21 COMMISSIONER TREVIÑO: It doesn't matter.

22 CHAIRMAN DANIEL: I move that the capital
23 budget and IT be ranked in priority order in the order that
24 they're listed in our briefing document that had been presented
25 to us today. Is there a second?

1 COMMISSIONER TREVIÑO: I second.

2 CHAIRMAN DANIEL: It's been moved and
3 seconded. Is there any objection to the motion? Hearing no
4 objection, the motion carries.

5 CHRIS NELSON: Thank you. Next you have a
6 schedule for the 2025 operating budget. Summary scheduled for
7 the 2025 operating budget in the amount of \$2,739,245,024, and
8 the legislative appropriate request for 2026 and 2027 in the
9 amount of \$5,539,838,487. There are several summary schedules
10 that comprise the information that we'll submit to LBB and ABEST
11 on Friday by method of finance strategy and the number of FTEs
12 that we're requesting. There's also at the very end a schedule
13 for the 2025 management fee for the Purchasing from People with
14 Disabilities program, and we are requesting to set the rate at
15 5.8 percent of the net commission of contracts. And then lastly
16 there is a document on the performance measures related to the
17 2025 operating budget and the 2026-2027 legislative
18 appropriation request. That concludes my comments and I'd be
19 happy to answer any questions.

20 CHAIRMAN DANIEL: All right. Any comments or
21 questions?

22 COMMISSIONER TREVIÑO: None here.

23 COMMISSIONER ESPARZA: No, sir.

24 CHAIRMAN DANIEL: All right. What you need—
25 we have done the exceptional items and performance measures.

1 We've already voted on that so what you have left for us to vote
2 on is the fiscal year 2025 Texas Workforce Commission operating
3 budget. Is that correct?

4 CHRIS NELSON: Correct, and the 2026-2027
5 legislative appropriation request. The exceptional items were
6 part of that.

7 CHAIRMAN DANIEL: This is the rest of the
8 LAR.

9 CHRIS NELSON: But this is the rest of the
10 budget.

11 CHAIRMAN DANIEL: Before we get to that
12 motion, Commissioner Treviño is going to make—let me just say
13 this. Most of you know, the first 20 years of my career were all
14 in agriculture. It is a well-established fact that in
15 agriculture, then when a duck is sitting pristinely on a pond,
16 it looks very calm and cool and collected. In fact, that duck is
17 paddling furiously under the surface of the water. You just
18 can't see it, and I would say that this budget stuff is not
19 easy. Chris gives a very calm demeanor but I think he has been
20 paddling furiously to get this done. I don't do this often
21 enough but I will say this here. I've been doing state
22 government, I think this is like my tenth or twelfth, somewhere
23 in there, legislative session. Budget process is complicated. It
24 never gets simpler. We're very blessed to have the finance team
25 we have here so to Chris and all of his finance team, thank you

1 for working us through this process so smoothly. This goes
2 incredibly well at this agency. I have worked at other agencies.
3 I'll just leave it at that. But it is a real benefit to this
4 agency that you and your team can make this conversational to
5 help us make the decisions that we have to make and obviously
6 meet our very mandatory deadline of Friday. Thank you very much
7 for all that you do. Other comments or questions?

8 COMMISSIONER TREVIÑO: I'll just agree with
9 what the chair just said. Thank you so much, Chris, for all the
10 work you and your team do for this.

11 CHAIRMAN DANIEL: Is there a motion?

12 COMMISSIONER TREVIÑO: Chairman, I move that
13 we adopt the fiscal year 2025 Texas Workforce Commission
14 operating budget as part of the 2026-2027 legislative
15 appropriation request as presented today by staff.

16 COMMISSIONER ESPARZA: I second.

17 CHAIRMAN DANIEL: It's been moved and
18 seconded and the motion carries.

19 CHRIS NELSON: Thank you.

20 CHAIRMAN DANIEL: Thank you. This is Agenda
21 Item 13, Workforce Development Board nominees.

22 CARA WHEELER: Good afternoon, chairman,
23 commissioners, and Mr. Serna. For the record, Cara Wheeler with
24 the Workforce Development Division. Today for your consideration
25 we have Workforce Board nominations for Workforce Solutions

1 Coastal Bend and South Plains. Staff recommends approval on the
2 presented nominees and I'm here to answer any questions you may
3 have.

4 CHAIRMAN DANIEL: Comments or questions?

5 COMMISSIONER TREVIÑO: I just wanted to say,
6 Ms. Wheeler, that you're becoming a regular here so [inaudible].
7 Thank you.

8 CARA WHEELER: Thank you, sir.

9 COMMISSIONER ESPARZA: No questions.

10 CHAIRMAN DANIEL: Is there a motion?

11 COMMISSIONER TREVIÑO: Chairman, I move that
12 we approve the local Workforce Development Board member nominees
13 presented today for Workforce Solutions Coastal Bend and South
14 Plains.

15 COMMISSIONER ESPARZA: I second.

16 CHAIRMAN DANIEL: It's been moved and
17 seconded and the motion carries.

18 CARA WHEELER: Thank you.

19 CHAIRMAN DANIEL: Thank you. You can tell
20 that we're getting closer to the legislative session. This is
21 like two appearances back-to-back from Michael Britt, and I have
22 not seen this tie before. This may be a new tie in honor of the
23 legislative session. A legislative report.

24 MICHAEL BRITT: I had to start the new year
25 off right.

1 CHAIRMAN DANIEL: There you go.

2 MICHAEL BRITT: Good afternoon, Mr.
3 Chairman, commissioners, and Mr. Serna. For the record, Michael
4 Britt, Governmental Relations. TWC will be testifying before the
5 House Committee on International Relations and Economic
6 Development at their hearing at 10 a.m. next Tuesday, September
7 10th. The committee has asked TWC to provide an update on the
8 implementation of the Lone Star Workforce of the Future fund and
9 House Bill 4451 from the previous session which requires TWC to
10 issue a report regarding apprenticeship opportunities in the
11 state for emerging high-demand occupations. The committee has
12 also asked that TWC provide them with an update on the Industry
13 Recognized Apprenticeship program and the TWC-subsidized child
14 care program, and finally a general agency update. So next
15 Tuesday, Mr. Serna, Mary York, and Reagan Miller will spend
16 probably a good part of the day testifying before the committee
17 on behalf of the agency. This concludes my remarks and I'm happy
18 to answer any questions.

19 CHAIRMAN DANIEL: That's exciting that the
20 personnel has already been designated and my name wasn't called
21 just yet. Any comments or questions?

22 COMMISSIONER TREVIÑO: None here.

23 COMMISSIONER ESPARZA: No, have fun.

24 CHAIRMAN DANIEL: Thank you, Michael. Is
25 there an executive director's report today?

1 MR. SERNA: I would love to have you or any
2 of the other commissioners go.

3 CHAIRMAN DANIEL: Michael's already made his
4 decision but thank you.

5 MR. SERNA: I would always defer to one of
6 the three of you all. Just a quick—I do have an executive
7 director's report. Very quickly, we've become aware of a
8 Department of Labor grant that has become available that we
9 would like to apply for, we will be applying for. This grant
10 would fund some of our expenses with regard to what's still
11 lingering from the pandemic as well as some of our fraud and
12 general unemployment insurance administration. The grant is
13 large enough that if we get everything that we pursue, we
14 believe that our share would be about 4.5 million dollars so
15 we're going to—the deadline is coming up towards the end of this
16 month. Unless there's some issue that you all have, we're going
17 to go ahead and pursue that.

18 CHAIRMAN DANIEL: Any comments or questions?

19 COMMISSIONER ESPARZA: No questions here.

20 COMMISSIONER TREVIÑO: No, no questions.

21 MR. SERNA: That's all I have.

22 CHAIRMAN DANIEL: Thank you, sir. Is there
23 any other order of business to come before the commission? Is
24 there a motion to adjourn?

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COMMISSIONER TREVIÑO: Chairman, I move to
adjourn the meeting.

COMMISSIONER ESPARZA: I second.

CHAIRMAN DANIEL: It's been moved and
seconded and we're adjourned. Thank you.