



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

SEPTEMBER 11, 2023

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Monday, September 11, 2023

CHAIRMAN DANIEL: Good afternoon, everyone. This meeting is called to order. Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: No, sir.

CHAIRMAN DANIEL: Thank you very much. Good afternoon, Ms. Miller.

MS. MILLER: Good afternoon, sir.

CHAIRMAN DANIEL: Thank you. This brings us to the end of Agenda Items 1 through 8. We'll pause for a moment to get ready for the rest of the meeting.

CHAIRMAN DANIEL: All right, we're back with Agenda Item 9, Gifts and Donations.

JENNIFER TURNER: Good afternoon.

CHAIRMAN DANIEL: How are you?

JENNIFER TURNER: I'm fine, thank you. I am Jennifer Turner and I'm here to present gifts and donations for your review and approval on behalf of the Office of General Counsel. State law allows TWC to accept donations of money, services, and property that further the lawful objectives of the agency as long as the donation is not prohibited by law. State law and commission policy require gifts and donations over \$500 each to be accepted by the commissioners in an open meeting with the donors' names, amounts, and donation purposes entered into the public record. All donations for the applicable period were

1 for employee and event expenses covered by third parties. Six
2 employees took six trips paid for by five separate entities. The
3 donations have been presented to Mr. Serna, our executive
4 director, for review and initial acceptance. His acknowledgment
5 and approval is provided in the meeting packet which is also in
6 the public record, and we ask that you approve the gifts and
7 donations as presented.

8 CHAIRMAN DANIEL: Comments or questions?

9 COMMISSIONER DEMERSON: None here.

10 COMMISSIONER TREVIÑO: None here.

11 CHAIRMAN DANIEL: Is there a motion?

12 COMMISSIONER DEMERSON: I move that we
13 approve the acceptance and acknowledgment of gifts and donations
14 to the Texas Workforce Commission as presented today by staff.

15 COMMISSIONER TREVIÑO: I second the motion.

16 CHAIRMAN DANIEL: We're unanimous. Thank
17 you.

18 JENNIFER TURNER: Thank you.

19 CHAIRMAN DANIEL: This is Agenda Item 10,
20 Fiscal Year 2024 Operating Budget.

21 CHRIS NELSON: Good afternoon, chairman,
22 commissioners, Mr. Townsend. For the record, Chris Nelson, chief
23 financial officer. Last summer the commission approved TWC's
24 legislative appropriation request which has been adopted as part
25 of the General Appropriations Act following the 88th Regular

1 Legislative Session. Today I'm bringing modifications to the
2 2024 GA amounts as part of our 2024 operating budget that we
3 will submit in November to the Legislative Budget Board. Before
4 you and for your approval is a proposed operating budget in the
5 amount of \$2,673,512,231 which is 126,000,000 higher than the
6 GAA amounts. This difference is largely driven by increases in
7 federal grants above what we projected last summer which include
8 child care, unemployment insurance, WIOA, and the RESEA
9 programs, and the respective strategies. Along with the
10 requested increase in funding is an increase in FTEs above our
11 cap of 4916.5 so we're requesting an FTE limit of 4925.5 which
12 is 36 above our FTE limit in the GAA. This is due to high
13 appeals activity, and so we'll be submitting a request to exceed
14 these 100 percent federally funded positions after your approval
15 or subject to your approval. On the last page you will see
16 there's a WORKQUEST management fee that TWC will charge to cover
17 its operating costs for administering the Purchasing from People
18 with Disabilities Program. TWC is requesting a 4.5 percent
19 WORKQUEST management fee to cover its operating costs. That
20 concludes my comments and I'd be happy to answer any questions.

21 CHAIRMAN DANIEL: Any comments or questions?

22 COMMISSIONER DEMERSON: Chris, I continue to
23 appreciate the briefing that you and your team provide. That's
24 it.

25

1 COMMISSIONER TREVIÑO: Yeah, and I just
2 wanted to take this opportunity to thank you, Chris, and your
3 staff for all the hard work you did in preparing the operating
4 budget.

5 CHRIS NELSON: Thank you.

6 CHAIRMAN DANIEL: Is there a motion?

7 COMMISSIONER DEMERSON: I move that we
8 approve the Texas Workforce Commission 2024 operating budget as
9 recommended today by staff.

10 COMMISSIONER TREVIÑO: I second the motion.

11 CHRIS NELSON: Thank you.

12 CHAIRMAN DANIEL: The motion carries. We're
13 unanimous. This is Agenda Item 11, Proposed Rules for 40 TAC
14 Chapter 810. This is the Lone Star Workforce of the Future Fund.

15 COLLIN BRADLEY: Good morning, Chairman
16 Daniel, Commissioner Treviño, Commissioner Demerson, Mr.
17 Townsend. For the record, I'm Collin Bradley with the Outreach
18 and Employer Initiatives Division. Commissioners, before you
19 today is for consideration for your approval is the proposed
20 rule creation of Chapter 810, Lone Star Workforce of the Future
21 Fund. The proposed amendments will establish the Lone Star
22 Workforce of the Future Fund grant program and set forth TWC's
23 procedures for administering the program. The goal of this
24 program is to ensure that the Texas workforce is capable of
25 filling available and emerging jobs in this state that require

1 less education than a bachelor's degree but more than a high
2 school diploma. Staff recommends submitting the proposed rules
3 for publication in the Texas Register for a 30-day public
4 comment period. Staff also requests the ability to make minor
5 changes to the document in order to comply with the publication
6 requirements of the Texas Register and the Office of the
7 Secretary of State. This concludes my presentation. I'm
8 available to answer any questions you may have.

9 CHAIRMAN DANIEL: Are there any questions or
10 comments?

11 COMMISSIONER DEMERSON: Collin, how do you
12 define minor revisions?

13 COLLIN BRADLEY: Minor nonsubstantive.

14 COMMISSIONER DEMERSON: I was kidding.

15 COMMISSIONER TREVIÑO: I have no comments.

16 CHAIRMAN DANIEL: I mean the answer to your
17 question was essentially a minor revision is a minor revision.

18 COMMISSIONER DEMERSON: Minor revision,
19 right.

20 CHAIRMAN DANIEL: And nonsubstantive.

21 COMMISSIONER DEMERSON: Is that what Collin
22 said?

23 CHAIRMAN DANIEL: That's what I think he
24 said.

25 COMMISSIONER DEMERSON: First time here?

1 COLLIN BRADLEY: Yes, sir.

2 CHAIRMAN DANIEL: Well, we should have had
3 better questions.

4 COMMISSIONER DEMERSON: Right, he was ready,
5 prepared.

6 CHAIRMAN DANIEL: [Inaudible].

7 COMMISSIONER DEMERSON: Commissioner Treviño
8 is giving him a pass over there.

9 COMMISSIONER TREVIÑO: They gave me a pass
10 when I first started.

11 CHAIRMAN DANIEL: That's very fair. Is there
12 a motion?

13 COMMISSIONER DEMERSON: Let me find it here.
14 I move that we approve the proposed amendments to 40 Texas
15 Administrative Code, Chapter 810, Lone Star Workforce of the
16 Future Fund for publication in the Texas Register for public
17 comment as recommended today by staff.

18 COMMISSIONER TREVIÑO: I second the motion.

19 CHAIRMAN DANIEL: The motion carries.

20 COLLIN BRADLEY: Thank you.

21 CHAIRMAN DANIEL: And thank you for sticking
22 around until I said motion carries.

23 COLLIN BRADLEY: I practiced a couple times.

24

25

1 CHAIRMAN DANIEL: Item 12. This is
2 Recertification of CRPs to Participate in the Purchasing from
3 People with Disabilities Program.

4 KELVIN MOORE: Good afternoon,
5 commissioners, Mr. Townsend. My name is Kelvin Moore
6 [Inaudible]. This afternoon I have for your consideration and
7 possible action three CRPs that are applying for recertification
8 to continue participating in the Purchasing from People with
9 Disabilities Program. All three CRPs meet the requirements for
10 recertification and are paying minimum wage or higher to provide
11 services. Staff recommends the recertification of the following
12 three CRPs listed in the discussion papers: Open Wings
13 Independent Living Incorporated, Houston, Texas; Goodwill
14 Industries of Central East Texas Incorporated, Lufkin, Texas;
15 Nueces Center for Mental Health & Intellectual Disabilities,
16 Corpus Christi, Texas. With that I can answer any questions you
17 may have.

18 CHAIRMAN DANIEL: Any comments or questions?

19 COMMISSIONER DEMERSON: None here.

20 COMMISSIONER TREVIÑO: None here.

21 CHAIRMAN DANIEL: Is there a motion?

22 COMMISSIONER DEMERSON: I move that we
23 approve the recertification of the following community
24 rehabilitation programs to continue participation in the
25 Purchasing from People with Disabilities Program as recommended

1 today by staff. As mentioned, Open Wings Independent Living,
2 Goodwill Industries of Central East Texas, and Nueces Center for
3 Mental Health & Intellectual Disabilities.

4 COMMISSIONER TREVIÑO: I second the motion.

5 CHAIRMAN DANIEL: It's been moved and
6 seconded and the motion carries. Thank you. This is Agenda Item
7 13, AEL Contracted Measures and Targets for Program Year 23-24.

8 MAHALIA BALDINI: Good afternoon, Chairman
9 Daniel, Commissioner Demerson, Commissioner Treviño, and Mr.
10 Townsend. For the record, Mahalia Baldini, Workforce Development
11 Division. This afternoon I am here to present you with the Adult
12 Education & Literacy Program Year 23-24 contracted measures and
13 performance-based funding criteria as outlined in your notebook
14 materials. The first issue for consideration is contracted
15 measures. Your notebook materials outline these measures and
16 targets including participant enrollment, measurable skill
17 gains, and exit-based outcomes. Table 1 in your notebook
18 materials reflects the participant enrollment targets which
19 include both the negotiated targets which are reflective of the
20 cost-pers in relation to this year's allocation as well as any
21 carryforward targets in relation to any 22-23 balances. Tables 2
22 and 3 in your notebook materials reflect targets required by
23 respective federal and state authorities when it comes to
24 measurable skill gains and are exit-based measures. The second
25 issue for your consideration is performance-based funding

1 criteria. The program year '23 allocations are composed of a two
2 percent holdback. In order for our grantees to be able to access
3 this two percent holdback, they must first meet the commission-
4 approved performance-based funding criteria. So for the program
5 year 23-24, we have two performance-based funding criteria we
6 would like for the commission to consider. The first criteria is
7 rapid enrollment which encourages our grantees to meet their
8 participant enrollment targets at 60 percent before December
9 31st, and the second measure has to do with our accelerated
10 measurable skill gains which incentivizes early attainment of
11 measurable skill gains for our customers by the end of March.
12 This concludes my remarks and I'm happy to answer any questions
13 that you may have.

14 CHAIRMAN DANIEL: Any comments or questions?

15 COMMISSIONER DEMERSON: None here.

16 COMMISSIONER TREVIÑO: None here.

17 CHAIRMAN DANIEL: Is there a motion?

18 COMMISSIONER DEMERSON: I move that we
19 approve the Adult Education & Literacy contracted measures and
20 performance-based funding criteria for program year 2023 through
21 2024 as described in the discussion paper and presented by
22 staff.

23 COMMISSIONER TREVIÑO: I second the motion.

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

1 MAHALIA BALDINI: Thank you.

2 CHAIRMAN DANIEL: This is Agenda Item 14,
3 Board Nominations.

4 CHERIE DUDLEY: Good afternoon, chairman,
5 commissioners, and Mr. Townsend. For the record, Cherie Dudley
6 with Workforce Development. Today for your consideration we have
7 Workforce Board nominations for Cameron County, South Texas,
8 Tarrant County, Heart of Texas, Golden Crescent, Middle Rio
9 Grande, North Texas, and Panhandle. Staff recommends approval on
10 the presented nominees and I'm here to answer questions you may
11 have.

12 CHAIRMAN DANIEL: Any comments or questions?

13 COMMISSIONER DEMERSON: None here.

14 COMMISSIONER TREVIÑO: None here.

15 CHAIRMAN DANIEL: Is there a motion?

16 COMMISSIONER DEMERSON: I move that we
17 approve the local Workforce Development Board member nominees
18 presented today for the following: Workforce Solutions Cameron
19 County, South Texas, Tarrant County, Heart of Texas, Golden
20 Crescent, Middle Rio Grande, North Texas, and Panhandle as
21 previously stated.

22 COMMISSIONER TREVIÑO: I second the motion.

23 CHAIRMAN DANIEL: It's been moved and
24 seconded and the motion carries.

25 CHERIE DUDLEY: Thank you.

1 CHAIRMAN DANIEL: Thank you. This is Agenda
2 Item 15, Fiscal Year 2024 Statewide Initiative Reviews with
3 staff recommendations. Commissioners, a couple of process
4 questions. So I think there's nine of these that have been
5 separated out. These are things that came out of the July 25th
6 work session. We can do this a couple of different ways. We can
7 just take them all up for discussion and ask staff questions
8 about individual programs that we've identified through this or
9 we can go one by one and ask questions or staff can make a
10 presentation about each one and then we can ask questions.
11 Similarly, when we vote on them, we can vote on them one by one
12 or we can wrap them all up into one motion and move forward. My
13 preference would be—I don't actually care how we vote them out
14 so if somebody feels strongly about that, you should speak up
15 but, on the discussion, I more or less just like to cut straight
16 to the questions unless there's some need for you to read us a
17 whole bunch of stuff. The papers were very clear and well laid
18 out. The staff made very clear and direct recommendations so
19 what I presume we would be voting on today are the staff
20 recommendations that are contained in the papers. If somebody
21 wants staff to make a presentation on each one, I'm certainly
22 glad to let them do that. I just want to make sure we get all
23 the information out there. I have a couple questions about two
24 different ones, and so there's going to be time for questions on
25 all of them. Does anybody have a preference here?

1 COMMISSIONER DEMERSON: I agree that we
2 don't need them to read through each and every one of them. I'm
3 fine with that. I think we had a work session where we've gone
4 over them sufficiently. If we have questions, we have an
5 opportunity to ask questions but then I think just taking them
6 and moving on the ones that we're in support of or if we're
7 going to take individual ones and move it that way, that works
8 for me.

9 COMMISSIONER TREVIÑO: I would just, like
10 you all said, not have them present it like we've already talked
11 about but I would like to go by the discussion paper so I can
12 keep it in the-

13 CHAIRMAN DANIEL: That is a very reasonable
14 request.

15 COMMISSIONER TREVIÑO: [Inaudible].

16 CHAIRMAN DANIEL: All right, we'll take them
17 up in the order that the discussion papers are. Do you want to
18 do a motion at the end of each discussion paper or do them all
19 at the end? Do you have a preference on that? Does anybody have
20 a preference on that? Is it easier to dispatch them as we go?

21 COMMISSIONER DEMERSON: It's probably easier
22 that way.

23 CHAIRMAN DANIEL: OK, we'll do that. All
24 right, so the first one we're going to take up is a workforce
25 strategy for rural Texas. Staff has some recommendations laid

1 out here in their discussion paper. Are there any comments or
2 questions on this one?

3 COMMISSIONER DEMERSON: None from me.

4 COMMISSIONER TREVIÑO: I have just a few.
5 Regarding the rural workforce working group, I understand that
6 bringing work group member nominations before the commission for
7 approval will delay the process a few weeks. However, I feel
8 that it will be—it will keep the workgroup consistent with the
9 process of all other workgroups and advisory committees, for
10 example, the child care workgroup and the PPD and AEL advisory
11 committees, etc. But I just recommend that the names proposed
12 for the working groups be brought to the commission for
13 approval.

14 CHAIRMAN DANIEL: Anything else on this one?

15 COMMISSIONER TREVIÑO: And then for the next
16 regarding the rural summit for the information provided by the
17 rural workforce group, that it is a best practice to begin the
18 conversation and collecting information. I also believe that the
19 conference will provide a valuable opportunity to hear the
20 insights and needs of rural workforce areas from participants to
21 allow sufficient time to study—for the study to be effective so
22 I kind of recommend that we host the rural summit first and then
23 afterwards determine the best timeframe to conduct a paid study
24 using the insight from the summit. For number three, I have no
25 comment. The next one is regarding the priority scoring for

1 Upskill Texas application. I agree with staff recommendation to
2 wait until evaluating the results of the current funding. After
3 the results are evaluated, then bring it back for their
4 recommendation and the parameters and the recommended funding
5 amount. The last one would be regarding the increase of funding
6 for the high-demand job training and TIP grants. I encourage
7 staff after the initial high-demand job training grant and TIP
8 applications are awarded that the funds still remaining to reach
9 out to the boards who have not yet applied for the fiscal year.
10 And then regarding the outreach efforts for rural initiative, I
11 am in favor of option one since there isn't a study validating
12 the effectiveness of this type of campaign in rural areas
13 administered by TWC which include the extended paid media
14 campaigns. After the small paid media campaign is launched, then
15 the data will show whether an extension is needed. That's all I
16 have for that group.

17 CHAIRMAN DANIEL: Any other comments or
18 questions on the rural strategy discussion paper?

19 COMMISSIONER DEMERSON: [Inaudible]. Are we
20 looking—the options that are presented here, I don't know if we
21 are taking action on those three items as well. In the efforts
22 to provide outreach and getting the word out, I mean I'm going
23 with the max. It's like this—do this in a big, big way and get
24 out as much as we can, and I think option three provides one end
25 to but I hear Commissioner Treviño's comments so just know that

1 I'm for a maximum but, chairman, you probably have been working
2 on this a lot harder so I'm not sure—I'd like to hear your
3 thoughts on that as well.

4 CHAIRMAN DANIEL: So I'm kind of torn. I
5 guess I would have picked option two but I'm not going to be the
6 guy that lands like squarely in the middle.

7 COMMISSIONER DEMERSON: That's OK.

8 CHAIRMAN DANIEL: Option two is really my
9 preference. I think you can do too much paid media. I think it
10 can move—I think you can sort of get off your earned media kind
11 of platform. I think we have a lot of opportunities to (a) do
12 some earned media, (b) we've got some great people in the field
13 [inaudible]. I think work that we can do via social media and
14 that sort of thing so option two is going to be my choice.
15 That's where I would land. As to all of Commissioner Treviño's
16 other comments including some direct comments about both the
17 summit and the advisory group, I would take those and adopt
18 those as my own if he's willing just to leave the need for doing
19 an amendment, I think I would do that, and if you don't mind,
20 let me just do this and then we can continue our discussion. I'm
21 going to go ahead and make a motion on this so we can take this
22 up if there's a second. I move we approve the staff
23 recommendations that we heard today for a workforce strategy for
24 the rural Texas discussion paper as presented here today with
25 option two on item seven and incorporating the other amendments

1 that Commissioner Treviño has recommended. If there's a second,
2 we'll proceed with our discussion.

3 COMMISSIONER DEMERSON: Second.

4 CHAIRMAN DANIEL: All right, it's been moved
5 and seconded so the motion before us is essentially what staff's
6 recommended, a couple of tweaks that Commissioner Treviño has
7 made to that with regard to some timing on some issues, and then
8 it would have option two in it for the item seven, the outreach
9 and employer initiatives that employer initiatives would do. Is
10 there any further discussion on this item?

11 COMMISSIONER DEMERSON: None here.

12 COMMISSIONER TREVIÑO: None here.

13 CHAIRMAN DANIEL: All right, is there a—I
14 vote aye. Is there any dissenting votes? All right, it carries
15 unanimously. All right, let's move to the middle skills gap. Any
16 comments or question on the middle skills gap discussion paper?

17 COMMISSIONER DEMERSON: None here.

18 COMMISSIONER TREVIÑO: I've got a few, yeah.

19 CHAIRMAN DANIEL: Yep.

20 COMMISSIONER TREVIÑO: Regarding the rural
21 workforce working group, I understand that bringing the
22 workgroup member nominations—oh, hold on, that's this one. Let
23 me—regarding the WIOA statewide funding towards the Upskill
24 Texas Initiative, I agree with staff recommendation of wait
25 until evaluating the results of the current funding. After

1 results are evaluated, then bring it back to their
2 recommendation for parameters and recommended funding amounts.
3 For the second one, I don't have any comments on that one. The
4 next one regarding the funding exams and/or licensure or
5 credential assistance, I support staff recommendation for number
6 one and two for the initiatives but I want to be mindful of the
7 staff work closely together to ensure attainable measures for
8 the tracking of the initiative. I believe that's it for that
9 one.

10 CHAIRMAN DANIEL: All right. Any other
11 comments or questions?

12 COMMISSIONER DEMERSON: None here.

13 CHAIRMAN DANIEL: Let me lay out a motion.
14 Commissioner Treviño, I was listening carefully. I don't think
15 you changed anything relative to the staff recommendations, and
16 your request to have measurable things is a—we should just put
17 that on everything that we do here. That was a good suggestion.
18 Let me do this. I move we approve the staff recommendations for
19 the middle skills gap discussion paper as presented here today.
20 If there's a second, we'll proceed with discussion.

21 COMMISSIONER DEMERSON: Second.

22 CHAIRMAN DANIEL: It's been moved and
23 seconded. Is there any further discussion on this item?

24 COMMISSIONER DEMERSON: None here.

25 COMMISSIONER TREVIÑO: None here.

1 CHAIRMAN DANIEL: All right, I'm voting aye.
2 Is there any dissenting votes? All right, it carries
3 unanimously. We'll take up the foster youth network now. Are
4 there any comments or questions for staff?

5 COMMISSIONER DEMERSON: None here.

6 COMMISSIONER TREVIÑO: The only comment I
7 have is regarding the Texas Foster Youth Network to assist with
8 balancing the budget of the remaining WIOA and TANF funds. I
9 support using 3,000,000 from WIOA and 1,000,000 from the TANF.

10 CHAIRMAN DANIEL: Is that what you were
11 anticipating?

12 LESLIE KRUSE: Yes, sir. It was. For the
13 record, Leslie Kruse, Workforce Division. You can use the-

14 CHAIRMAN DANIEL: I should have done that at
15 the front. Now I have to apologize because I made fun of Chris
16 for not sticking around until I said motion carries, and I just
17 jumped all over my own procedure. Welcome, Leslie.

18 LESLIE KRUSE: Well, thank you, sir.

19 CHAIRMAN DANIEL: All right. Is there any-do
20 you want to make a motion or you want me to do it?

21 COMMISSIONER TREVIÑO: Oh, I can make the
22 motion. I move we approve the Texas Foster Youth Network
23 initiative as set forth in the discussion paper and related
24 staff response memorandum and discussed here today with the
25 change to allow the use of 3,000,000 for the WIOA and 1,000,000

1 from TANF if need to balance the [inaudible] reserve balances
2 budget.

3 COMMISSIONER DEMERSON: I second.

4 CHAIRMAN DANIEL: Are there any dissenting
5 votes? Any further discussion?

6 COMMISSIONER DEMERSON: None here.

7 CHAIRMAN DANIEL: This one carries
8 unanimously. Let's take up the workforce and economic
9 development discussion paper. Any comments or questions?

10 COMMISSIONER DEMERSON: None here.

11 COMMISSIONER TREVIÑO: So regarding number
12 three regarding the recommendation to create a statewide working
13 group to gather best practices as earlier as I mentioned I
14 recommend that names of the proposed workgroup be brought to the
15 commission for approval. I understand that bringing the
16 workgroup nominations may delay it a few weeks, the process, but
17 however I feel that it will keep the working group consistent
18 with the other groups as I mentioned before, for example, child
19 care, PPD, and the AEL advisory, etc. For the outreach plan
20 including strategies to ensure employees regarding the outreach
21 campaign option, I suggest beginning with option one. Staff
22 recommended for allotting 10,000 inhouse development. Then in
23 the future years if there's money available, we can have the
24 data to support the expansion of that campaign.

25

1 CHAIRMAN DANIEL: All right. Any other
2 comments or questions?

3 COMMISSIONER DEMERSON: None here.

4 CHAIRMAN DANIEL: I don't object to either
5 one of your suggestions. Let me offer a motion. I move we
6 approve the staff recommendations for the workforce and economic
7 development discussion paper as presented here today to
8 incorporate Commissioner Treviño's suggestions. Is there a
9 second?

10 COMMISSIONER DEMERSON: Before I second, let
11 me make sure. So option one is \$10,000 on the outreach campaign
12 options, and then option two is 100,000 to 500,000. That seems
13 like a big jump.

14 CHAIRMAN DANIEL: It is but I think there's
15 some vendor contracts in there, and I think if I heard
16 Commissioner Treviño correctly, and I'll let you speak for
17 yourself but what I heard was let's do what's suggested under
18 option one. If we get the success we're looking for, we'll come
19 back and revisit this and put some more resources into this.
20 That's actually a prudent response. I think we have a lot more
21 expertise in house than we probably think we do on this. I think
22 this is a good way for us to figure that out.

23 COMMISSIONER DEMERSON: OK.

24 COMMISSIONER TREVIÑO: I couldn't have put
25 it better myself. Thank you.

1 CHAIRMAN DANIEL: All right. Is there a
2 second?

3 COMMISSIONER DEMERSON: Second.

4 CHAIRMAN DANIEL: Is there any further
5 discussion? Any dissenting votes? All right, this one carries
6 unanimously. Let's take up the Texas conference for foster
7 youth. Any comments or questions?

8 COMMISSIONER DEMERSON: None here.

9 COMMISSIONER TREVIÑO: None here. I'll make
10 a motion?

11 CHAIRMAN DANIEL: Yes.

12 COMMISSIONER TREVIÑO: I move we approve the
13 Texas conference for foster youth initiative as set forth in the
14 discussion paper and the related staff response memorandum as
15 discussed here today. Any second?

16 CHAIRMAN DANIEL: Is there a second?

17 COMMISSIONER DEMERSON: Second.

18 CHAIRMAN DANIEL: Is there any further
19 discussion on this item?

20 COMMISSIONER DEMERSON: None here.

21 CHAIRMAN DANIEL: I just want to clarify for
22 the record that when he said as presented here today, it is as
23 presented in the meeting notes here today. That paper was well
24 defined and makes staff recommendations. It's been moved and
25 seconded. Are there any dissenting votes? Hearing none, this one

1 passes unanimously. Let's take up esports as a STEM program. Any
2 comments or questions?

3 COMMISSIONER DEMERSON: None here.

4 COMMISSIONER TREVIÑO: I just fully support
5 the esports initiative and recognize the value and positive
6 impact that this will have on future workforce.

7 CHAIRMAN DANIEL: All right. I have a couple
8 questions. Of the original \$500,000, how much of that have we
9 awarded?

10 LESLIE KRUSE: Stand by, chairman. We'll get
11 that for you. I'm going to ask Sandra Williams if she has that
12 information on the total awards.

13 CHAIRMAN DANIEL: All right, while you're
14 getting that, also get this information for me. What types of
15 activities that we've awarded funds for, what types of
16 activities that we intend to award funds for, and then a third
17 question is what results have we already seen from the grant
18 awards we've made from the original \$500,000.

19 LESLIE KRUSE: Chairman, I can answer on
20 what we've seen so far. Those grants just started so we do not
21 have any data as of yet. I believe the first quarter reporting
22 is going to be due at the end of this month so we should have
23 data after that.

24

25

1 CHAIRMAN DANIEL: All right. And then, OK.
2 And the types of activities, you can tell me that when you tell
3 me the funding?

4 LESLIE KRUSE: Yes, sir.

5 CHAIRMAN DANIEL: What—so there was another
6 recommendation in here from staff to fund a study about esports.
7 I think you had asked for \$300,000 to do that. Tell me a little
8 bit more about the study and what we're hoping to learn from the
9 study.

10 COMMISSIONER DEMERSON: Let me answer some
11 of that as well. So esports right now is an initiative that's
12 over in the governor's office, the film and music office, gaming
13 office, and the like, and so there's a lot of talk about esports
14 right now. Actually, it's going to be an Olympic sport and it's
15 going worldwide and so trying to inventory the assets, finding
16 out what's out there in regards to this whole venue is where we
17 were going research and analysis of the impact and what that's
18 going to mean here in Texas. A lot of employers are out there in
19 that space, a lot of Texas citizens, and so as we study things
20 like AI and study initiatives like this, making sure that we're
21 just not out there guessing, this will actually allow us to
22 really quantify, qualify, have a place where we have valuable
23 information that will allow us to propel forward in the future
24 so up to—and this is up to \$300,000. It's not 300,000 solid but
25 report along those lines.

1 CHAIRMAN DANIEL: I think even if it works,
2 probably money well spent. Commissioner, I would say this. I'm
3 skeptically supportive of this initiative because I'm not
4 exactly sure what we're trying to get at. Much like Upskill
5 Texas, I hesitate to be for putting more money into grant awards
6 until we kind of know what we've done with the awards, and
7 furthermore I would love to see the results of the study before
8 we dedicated more funding to this. If you guys just want to
9 press forward with more money, I'm not going to put up any kind
10 of fight. I think anything we can do to help youth kind of get
11 on a career, we should be doing that, and my understanding is
12 that staff recommends that we put this over in our youth
13 initiatives and we treat it like we treat the other youth
14 initiatives, and I'm definitely for that. I guess I'm just in a
15 wait-and-see mode on more grant money. I'm a hundred percent and
16 enthusiastically supportive of your—of the idea that we would do
17 a study to kind of see where we are and what we want to do. I
18 think \$300,000 is a great not-to-exceed threshold. That's just
19 where I am, and again, if we want to just press forward with the
20 way staff recommended it here today, then that's what we'll do.
21 I'm not going to object to that. I'm just saying that I think I
22 would prefer we set the new funding aside, do the study, see
23 what we get, and then try to be more directed with the second
24 round of funding but let's proceed with our discussion and find
25 out where we are.

1 COMMISSIONER DEMERSON: Yeah, and we had
2 discussed, we talked about the fact that this study—I think
3 we're all asking the same question, you know, what are the
4 results [inaudible] as Leslie said, the results are not there
5 just yet, and once we really take this opportunity, we know it's
6 something that's coming along and it's something of the future
7 and the like and so we decided to kind of—the team decided to
8 kind of press ahead. My big deal was 300 for the research and
9 the analysis and the other side is we're already doing it, let's
10 jump in here and do it again so that was the thought behind
11 that.

12 CHAIRMAN DANIEL: OK, good discussion. Let's
13 go ahead and get a motion on the table so we can try to move
14 forward here.

15 COMMISSIONER DEMERSON: So I move that we
16 approve the esports as a STEM program initiative as set forth in
17 the discussion paper.

18 COMMISSIONER TREVIÑO: I second the motion.

19 CHAIRMAN DANIEL: It's been moved and
20 seconded. Is there any further discussion? All right, are there
21 any dissenting votes? OK, motion carries. Let's take up the
22 reentry conference. Any comments or questions?

23 COMMISSIONER DEMERSON: I'll comment on this
24 real, real quick, the reentry conference. I think we have a
25 GRACE conference coming up, this second one in Arlington if I'm

1 not mistaken, and there was discussion around the agency that
2 doing this again and the like and so after talking with the team
3 I think this is very important for employers that are looking at
4 those—looking at a second chance and reentry and into reentering
5 into the workforce. This was an opportunity for us to look at
6 those organizations that have a vested interest in this area,
7 not taking it on at the staff level and allocating money that's
8 out there. I think it's about an estimated cost of about \$30,000
9 with an organization that would be supportive of these efforts
10 so that we don't lose the momentum of that GRACE conference
11 that's taking place for the second year. The first year
12 amazingly successful. Second year we're hoping the same but
13 there are organizations out there that will probably do this
14 again, and I'd love to be supportive of those efforts because
15 employers and the citizens in Texas benefit from that.

16 COMMISSIONER TREVIÑO: I agree with the need
17 for continuing the second chance initiative but regarding the
18 GRACE conference itself, I'm concerned with partnering with an
19 outside entity. I think we might lose the input regarding the
20 information presented to the focus of the event, and I suggest
21 that we reconsider transferring that to an outside entity and
22 keep this hosted by TWC. I agree with allocating the 30,000 of
23 WIOA funds for TWC to host the second chance events.

24 COMMISSIONER DEMERSON: Yeah, I think my
25 reason for looking outside was talking with the staff, and I

1 guess it was a decision that we would make by looking at the
2 amount of work staff already had on the plates, conferences and
3 the like is why I pretty much said, well, if we're overworked on
4 this side or we have a lot on the plate here, it's not that they
5 couldn't do it but there may be a need to do that outside so
6 that it pushes forward in that regard but I guess the team would
7 do whatever we want, and so I'm not heart set one way or the
8 other. My push was basically trying to relieve the staff in a
9 sense on the TWC side. That's where I was going here.

10 COMMISSIONER TREVIÑO: OK. I just felt that
11 it would be important for us as an-

12 COMMISSIONER DEMERSON: Agency?

13 COMMISSIONER TREVIÑO: Agency to make sure
14 that we're leading the discussion and what we want to put out
15 there.

16 COMMISSIONER DEMERSON: OK, and
17 commissioner, that's an initiative, an area, and we feel strong
18 about that. I'd support those efforts but I just wanted to put
19 on the table, that was my reason on both sides.

20 CHAIRMAN DANIEL: I think that you-I mean
21 you make a very good point. I'm actually inclined to support
22 Commissioner Treviño on this idea of keeping it inhouse. I
23 appreciate your argument for why that might be. I think in this
24 particular space there are just-there are many, many divergent
25 viewpoints on this and I want to make sure TWC sticks to our

1 mission which is we need to get folks to work and in a job
2 that's self-sustaining and meaningful for them no matter what
3 their life circumstances have been. I want to make sure we stick
4 on that. And then I want to get this on the record while we're
5 talking about this. I received a tremendous amount of positive
6 feedback on our efforts here from the chancellor at TSTC among
7 others about our efforts on this, and so definitely something
8 that we want to continue.

9 COMMISSIONER DEMERSON: I think that's
10 fantastic. If we're doing it in house, then I'm all for that.

11 CHAIRMAN DANIEL: There we go. All right. If
12 there's no further sort of preliminary comments, let's get a
13 motion on the record and then we'll complete our commentary and
14 move forward.

15 COMMISSIONER DEMERSON: I move that we
16 approve the reentry conference initiative set forth in the
17 discussion paper as discussed as well and it be done by the
18 Texas Workforce Commission versus an outside entity.

19 COMMISSIONER TREVIÑO: I second the motion.

20 CHAIRMAN DANIEL: Is there any further
21 commentary? Are there any dissenting votes? The motion carries
22 unanimously. Let's move to the Office of the Governor small
23 business and entrepreneurship paper. Any comments or questions?

24 COMMISSIONER DEMERSON: Comments on that
25 basically and I'll say this real quick based on the Governor's

1 Office and Small Business Division and we are in an MOU
2 situation with them right now, this is an opportunity once again
3 for us to have factual information about small business in Texas
4 and the workforce as well, and so the state of the workforce
5 from an internship standpoint, apprenticeship standpoint, all of
6 those areas as it relates to small businesses in the state that
7 I represent, I advocate for on this side, again I'm trying to
8 get information together where we're able to use that in ways
9 that can be of benefit to us here at the state.

10 COMMISSIONER TREVIÑO: I agree. No comment.

11 CHAIRMAN DANIEL: The only comment I would
12 have is this. Do we spend all of this grant every year like
13 historically?

14 LESLIE KRUSE: No, sir, we do not.

15 CHAIRMAN DANIEL: And could the existing
16 grant amount absorb the cost of the study which I do think is
17 useful and necessary? I hate to give—I agree with the need for
18 the study. I hate to give more money to a grant when the grant
19 is not expending the total amount, and full disclosure, I was
20 the governor's staff member who administered that grant for four
21 years, and we didn't spend all the money then either.

22 COMMISSIONER DEMERSON: Chairman, I actually
23 was the staff member on the governor's team who initiated that
24 here at the Workforce Commission when it first started, and so
25 I'd be curious—I'd want to look at the past reports on how that

1 money allocated and what's coming back, what we're not spending.
2 I agree with you wholeheartedly if the money is not being spent,
3 let's utilize what's not being spent for that but let's make
4 sure that we check to make sure that they don't have intentions
5 to spend it before we start taking money from it. In that regard
6 we need to be sure that they're not going to do it because
7 that's a carve-out of something that they may have in mind but
8 if it's not being spent, let's definitely look at it that way
9 for sure.

10 CHAIRMAN DANIEL: Do you want to table this,
11 get that information and come back?

12 COMMISSIONER DEMERSON: No, I don't want to
13 table it. I think-

14 CHAIRMAN DANIEL: OK.

15 COMMISSIONER DEMERSON: If we're basically
16 saying that the money's unspent, then let us look at that but
17 we'll probably need to have a conversation because you're going
18 to need to ask them if it's going to be spent before we assume
19 that it's not. This is new money that we're talking about. Mr.
20 Chairman, maybe to the point that if it's money that's left
21 over, then we don't allocate any new money from that standpoint.
22 We basically take it back from that point but we don't shut
23 ourselves off from the point that if it's all spent, then we're
24 not in a position to go forward with it because we've not
25 approved it today.

1 CHAIRMAN DANIEL: Uh, yeah. Let me think
2 about that. Make your motion and then let's see if we can
3 structure this in a way to do what we want to do.

4 COMMISSIONER DEMERSON: I move we approve
5 the amendment of the current interagency cooperation contract
6 with the Office of the Governor to include a small business
7 workforce report with a survey and data up to \$75,000 as set
8 forth in the discussion paper as proposed today, as discussed
9 today.

10 COMMISSIONER TREVIÑO: And I'll second the
11 motion.

12 CHAIRMAN DANIEL: And then I'm going to
13 offer this as an amendment, and if you accept it. Basically, if
14 there's \$75,000 left that they haven't spent, that's the
15 \$75,000. If for some reason they're going to spend all the
16 grant, then there's another \$75,000 that would come in to pay
17 for this study specifically and only the study. Is that fair?
18 Does that sound like what we just agreed to? I think it does.

19 COMMISSIONER DEMERSON: Yes, all right.

20 CHAIRMAN DANIEL: Mr. Trobman? Yes. All
21 right, are there any dissenting votes on this? Hearing none,
22 this motion passes unanimously. Texas Interns Unite! conference.
23 Questions or comments.

24 COMMISSIONER DEMERSON: So you guys have
25 participated in a lot of the Texas Interns Unite! initiatives

1 over the years and so the discussion paper laid out here today
2 talks about National Internships Day, National Intern Day with
3 the Texas Twist Conference but the reality behind the discussion
4 paper is really to have funds appropriated for not initiatives
5 that include National Internship Day with the Texas Twist
6 initiatives with both high school and college students so I
7 don't know if that's in this makeup but I want to make sure that
8 we're working on high school and college students and it's a
9 Texas Interns Unite! initiatives, not just National Internship
10 Day but other initiatives. We're going to be in the Valley with
11 a Rally in the Valley in a week, and then there's Power in the
12 Pines, and so there are a lot of initiatives that have been put
13 out there and some very successful good return on the investment
14 so I think those are the only comments that I wanted to add to
15 this paper that's not listed here.

16 CHAIRMAN DANIEL: Yeah, comments or
17 questions?

18 COMMISSIONER TREVIÑO: Yeah, I just wanted
19 to say I've experienced the benefits of the internship program
20 and support this effort. I've seen the results and hear
21 firsthand so I'm for that.

22 CHAIRMAN DANIEL: My only concern about the
23 whole thing has been the extreme amount of enthusiasm and
24 optimism and my ability to match that. These kids that come to
25 this thing are absolutely amazing, and you reach a certain age

1 where you start worrying about whether or not the next
2 generation is going to pull it off, and if you've reached that
3 age and you have that question, come to one of these conferences
4 so we can answer that for you.

5 COMMISSIONER DEMERSON: Mr. Chairman, I
6 think you said it. I overheard you making a comment that as you
7 get a certain age, you know what you like to do is give a lot of
8 your advice and wisdom and guidance and things of that nature so
9 these are opportunities to really [inaudible] students but
10 employers benefit, our Texas citizens benefit, and it works. The
11 employment and the internships lead to jobs and careers and the
12 like, and a lot of us even on the dais and in this audience may
13 have experienced an internship route in some form or fashion
14 while in college or high school.

15 CHAIRMAN DANIEL: While we're on the
16 subject, you know, even TWC's—we've had since I've been here a
17 great internship program, and I really even felt like that's
18 come up a notch since we put a renewed focus on this. I think
19 we're all benefiting from this. If there's no further
20 preliminary discussion, we can put a motion on the record and
21 then proceed with that.

22 COMMISSIONER DEMERSON: I move that we
23 approve the Texas Interns Unite! initiatives that include the
24 national internship day, National Intern Day with the Texas
25

1 Twist conference and other initiatives with both high school and
2 college students.

3 COMMISSIONER TREVIÑO: I second the motion.

4 CHAIRMAN DANIEL: Is there any further
5 discussion?

6 COMMISSIONER DEMERSON: None here.

7 CHAIRMAN DANIEL: Any dissenting votes? This
8 one carries unanimously as well. Leslie, thank you.

9 LESLIE KRUSE: Thank you, sir.

10 CHAIRMAN DANIEL: Is there an executive
11 director's report today?

12 MR. TOWNSEND: Good afternoon, chairman.
13 Yes, we have one report from Eric Holen on the weekly benefit
14 amounts for the unemployment insurance program.

15 ERIC HOLEN: Good afternoon. For the record,
16 Eric Holen, Unemployment Insurance. I have an update relating to
17 changes in the unemployment insurance weekly benefit amounts for
18 WBA that for new initial claims with an effective date on or
19 after October 1, 2023. The changes have no effect on existing
20 claims. In accordance with Texas Labor Code, Chapter 207.002,
21 the minimum and maximum weekly benefit amounts are set based on
22 the Labor Market Information Department's analysis of Texas
23 average weekly wage and covered unemployment for the preceding
24 calendar year. For 2022, LMI calculated that the average weekly
25 wage was \$1,333.88, an increase of \$70.76 or 5.6 percent over

1 the preceding calendar year. The minimum weekly benefit amount
2 is set at 7.6 percent of Texas average weekly wage and covered
3 unemployment-covered employment but may not exceed one dollar in
4 a year. Since the calculated amount exceeded the limit, the
5 minimum weekly benefit amount will increase by one dollar to \$73
6 per week. The maximum weekly benefit amount is set at 47.6
7 percent of Texas's average weekly wage in covered employment but
8 may not exceed \$14 in any year. Since the calculated amount
9 exceeded the limit this year, the maximum weekly benefit amount
10 will increase by \$14 to \$577 per week. To summarize, for new
11 initial unemployment claims with an effective date on or after
12 October 1, 2023, the minimum weekly benefit amount will be \$73,
13 and the maximum will be \$577. Again, this has no effect on
14 existing claims. This concludes my update. I'm available for any
15 questions.

16 CHAIRMAN DANIEL: Any questions?

17 COMMISSIONER DEMERSON: No questions here.

18 COMMISSIONER TREVIÑO: No questions.

19 CHAIRMAN DANIEL: Thank you.

20 COMMISSIONER DEMERSON: Chairman, I did want
21 to thank Eric for the work that you and your team are doing. Any
22 time I've needed anything in terms of calling and needing
23 information, you guys have been very responsive and we
24 appreciate that.

25 ERIC HOLEN: Thank you.

1 COMMISSIONER DEMERSON: Thank you.

2 MR. TOWNSEND: Thank you, commissioners, and
3 that concludes the executive director's report.

4 CHAIRMAN DANIEL: All right.

5 COMMISSIONER DEMERSON: Randy didn't say
6 anything.

7 CHAIRMAN DANIEL: He does this every single
8 time. One of these days he's going to break loose I'm pretty
9 sure. Is there any other order of business to come before the
10 commission?

11 COMMISSIONER DEMERSON: None here.

12 COMMISSIONER TREVIÑO: I just want to make a
13 quick statement here so I can introduce Forrest Smith. Will you
14 please stand? He's our newest addition to the staff. He's coming
15 from the Public Utility Commission and will be the lead
16 attorney. He previously worked for TWC as a hearing officer so
17 thank you, Forrest.

18 CHAIRMAN DANIEL: Did you work in the
19 general counsel's office there?

20 FORREST SMITH: In the legal division.

21 CHAIRMAN DANIEL: In the legal division. Did
22 you work there last summer? I don't know how long you worked.

23 FORREST SMITH: I did.

24 CHAIRMAN DANIEL: Did you have an intern by
25 the name of Emily Daniel at any point during your tenure?

1 FORREST SMITH: She did quite a bit of
2 research [inaudible].

3 CHAIRMAN DANIEL: Did she work hard, and did
4 she come to work?

5 FORREST SMITH: She did.

6 CHAIRMAN DANIEL: All right, I'm glad to
7 hear it. Thank you. Welcome.

8 COMMISSIONER DEMERSON: His face looked
9 familiar. I saw him before. I know that guy.

10 CHAIRMAN DANIEL: All right, anything else,
11 guys?

12 COMMISSIONER DEMERSON: No.

13 CHAIRMAN DANIEL: Is there a motion to
14 adjourn?

15 COMMISSIONER DEMERSON: So moved.

16 COMMISSIONER TREVIÑO: I second.

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

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