

1 TRANSCRIPT OF PROCEEDINGS
2 BEFORE THE
3 TEXAS WORKFORCE COMMISSION
4 AUSTIN, TEXAS

5 PUBLIC MEETING *
6 FOR THE TEXAS *
7 WORKFORCE COMMISSION *

8
9
10 COMMISSION MEETING

11 TUESDAY, JUNE 21, 2011

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17 BE IT REMEMBERED THAT at 9:00 a.m., Tuesday,
18 the 21st day of June, 2011, the above-entitled matters
19 came on for hearing at the Texas Workforce Commission,
20 TWC Building, 101 East 15th Street, Room 244, Austin,
21 Texas, before TOM PAUKEN, RONALD G. CONGLETON, and
22 ANDRES ALCANTAR, COMMISSIONERS, and LARRY TEMPLE,
23 EXECUTIVE DIRECTOR, of the Texas Workforce Commission;
24 and the following proceedings were reported by Lydia L.
25 Edwards, a Certified Shorthand Reporter of:

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1 P R O C E E D I N G S

2 TUESDAY, SEPTEMBER 28, 2010

3 (9:00 a.m.)

4 AGENDA ITEM NO. 1

5 CHAIRMAN PAUKEN: Good morning. The
6 meeting will now be called to order, and I will turn it
7 over to Commissioner Alcantar to preside over Agenda
8 Items 2 through 5.

9 COMMISSIONER ALCANTAR: Thank you,
10 Chairman Pauken.

11 AGENDA ITEM NO. 2

12 Discussion, consideration, and possible
13 action regarding whether to assume continuing
14 jurisdiction on unemployment compensation cases, wage
15 claim cases, and/or tax liability cases and
16 reconsideration of unemployment compensation cases, wage
17 claim cases, and/or tax liability cases, if any.

18 No discussion.

19 AGENDA ITEM NO. 3

20 Discussion, consideration and possible
21 action regarding tax liability cases listed on the Texas
22 Workforce Commission Docket 25.

23 The Commission considered and took action
24 on all tax liability claim cases listed on Docket 25.

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1 AGENDA ITEM NO. 4

2 Discussion, consideration and possible
3 action regarding higher level appeals in wage claim
4 cases listed on the Texas Workforce Commission
5 Docket 25.

6 The Commission considered and took action
7 on all wage claim cases listed on Docket 25.

8 AGENDA ITEM NO. 5

9 Discussion, consideration and possible
10 action regarding higher level appeals in unemployment
11 compensation cases listed on the Texas Workforce
12 Commission Docket 25.

13 The Commission considered and took action
14 on all unemployment compensation cases listed on
15 Docket 25.

16 (The Commission paused, then continued
17 with the remainder of the agenda.)

18 AGENDA ITEM NO. 6

19 CHAIRMAN PAUKEN: Is there any public
20 comment?

21 MS. HOLT: Yes, Chairman Pauken. Mr. Pat
22 Newman, the new Alamo executive director, has signed up
23 for public comment.

24 CHAIRMAN PAUKEN: Okay. Pat, would you
25 come forward? And congratulations on your new

1 appointment, or condolences depending on -- that's a
2 tough -- tough assignment you've got down there in the
3 Alamo --

4 MR. NEWMAN: Well, I look forward to the
5 challenge, Mr. Chairman. Thank you for the opportunity
6 to address the Commission this morning. My name is
7 Patrick Newman. I'm the new executive director for the
8 Workforce Solutions in Alamo. I'd just like to extend
9 my -- my thanks to my board for offering me the position
10 as the executive director in Alamo. I know that there's
11 a lot of challenges in that -- in that particular area.
12 I come from a state where we had very similar
13 challenges, and I just -- my wife and I are really
14 looking forward to living in San Antonio. We're still
15 looking for a home, but hopefully within the next couple
16 of weeks we'll have acquired a home and established our
17 new life there in San Antonio. And I look forward to
18 working with the Texas Workforce Commission and you-all
19 as well.

20 CHAIRMAN PAUKEN: Tell us a little of your
21 background.

22 MR. NEWMAN: I was born in Las Vegas, New
23 Mexico. And believe it, there is another Las Vegas
24 besides the one where you gamble.

25 CHAIRMAN PAUKEN: I've been there. I was

1 stationed in El Paso in the Army a long time ago.

2 MR. NEWMAN: Okay. I went to school in
3 Las Vegas, New Mexico. I got my degree from New Mexico
4 Highlands University. I was a policeman in Las Vegas
5 for about seven years. I got up to the rank of
6 lieutenant, and at the same time, I took advantage of
7 the LEEAP program. It was the Law Enforcement Education
8 Assistance Program back then --

9 CHAIRMAN PAUKEN: Sure.

10 MR. NEWMAN: -- and got my degree. I have
11 a double major in social work and sociology. And once I
12 got my degree, I had two options. I could either leave
13 Las Vegas or run over one of the captains. That was the
14 only way I was going to get promoted. So I chose -- I
15 chose the latter -- or the former and moved on.

16 CHAIRMAN PAUKEN: Do we have his
17 confession? It's being recorded today.

18 MR. NEWMAN: And I went to go work for at
19 that time the Governor's Office in Employment and
20 Training Administration which was administratively
21 attached to the Governor's Office.

22 CHAIRMAN PAUKEN: Who was the Governor
23 then?

24 MR. NEWMAN: Bruce King.

25 CHAIRMAN PAUKEN: Okay. Sure.

1 MR. NEWMAN: And that was the old Cedar
2 program. So I've been in employment and training
3 programs all the way back to 1975. I've got about 37
4 years experience in all different levels of employment
5 and training from the stateside to actually working as
6 an office manager running employment and training
7 programs to now with my former position as the
8 administrator working under the Mid Region Council of
9 Governments in Albuquerque, New Mexico and then coming
10 here to San Antonio.

11 CHAIRMAN PAUKEN: Okay. Well, welcome to
12 Texas.

13 MR. NEWMAN: Well, thank you very much. I
14 look forward to it. Thank you, Mr. Chairman.

15 CHAIRMAN PAUKEN: All right. Thank you.
16 All right. No other public comment?

17 MS. HOLT: No, sir.

18 AGENDA ITEM NO. 7

19 CHAIRMAN PAUKEN: Discussion,
20 consideration, possible action regarding the estimated
21 unemployment trust fund balance pursuant to Texas Labor
22 Code, Section 204.061 and the estimated employment and
23 training investment holding fund balance available for
24 transfer pursuant to Texas Labor Code, Section 204.123,
25 Randy Townsend.

1 MR. TOWNSEND: Good morning, Mr. Chairman,
2 Commissioners. For the record, Randy Townsend, chief
3 financial officer. The trust fund projection for
4 October 1st, 2011 -- we've prepared this as of June
5 15th -- we estimate the balance to be \$688.8 million on
6 October 1st, 2011. That would put the balance at \$171.8
7 million below the floor on that date.

8 Let me share a couple of observations with
9 our trends of the last six completed weeks, and this
10 will be information as of June 4th. Total net benefits
11 paid averaged 43.4 million per week. That was down
12 about 21 percent from the one-year-ago average. For
13 initial claims, we averaged 17,192 for the six weeks
14 ending June 4th. That was about 5.4 percent below the
15 one-year-ago average. Continued claims averaged 163,533
16 for the six weeks ending June 4th, and that was about
17 18.4 percent below the one-year-ago average.

18 Mr. Chairman, Commissioners, that
19 concludes my presentation, if you have questions or
20 comments.

21 COMMISSIONER CONGLETON: No questions.

22 CHAIRMAN PAUKEN: Thank you, Mr. Townsend.

23 AGENDA ITEM NO. 8

24 CHAIRMAN PAUKEN: No. 8, Discussion,
25 consideration, possible action regarding transfer of

1 unexpended Program Year 2009 Workforce Investment Act
2 (WIA) youth activity formula allocated funds to Program
3 Year 2009 WIA statewide activity grant awards. And
4 today it's Michael Sparks.

5 MR. SPARKS: Good morning, Chairman
6 Pauken, Commissioners, Mr. Temple. Materials were
7 presented to your office as a supplemental distribution
8 under Tab 8. This morning we are presenting a request
9 to distribute additional statewide activity funds to
10 four workforce areas. These funds are being derived
11 from balances of Program Year '09 youth funds that these
12 same boards are returning to the State after contract
13 close-out. Each of these four boards will receive a
14 statewide activity fund contract in the amount equal to
15 the amount they have returned. And these distributions
16 are being made as part of a strategy to address funding
17 shortfalls that seven other boards will experience in
18 WIA funds. As we briefed your offices, with the
19 Commission's approval of statewide funds, we will be
20 able to make adjustments to the amount of funds that
21 boards receive in their July component of the PY WIA
22 allocation versus their October component, the FY
23 portion of the WIA allocation. These seven boards will
24 continue to receive the overall allocation. It's just
25 they will receive either a smaller amount in the PY

1 portion and a larger amount in the FY portion or for the
2 seven a larger amount in the PY portion and a smaller
3 amount in the FY portion.

4 We are asking for your approval to
5 distribute \$1,550,000 in statewide activity funds to
6 North Central, Dallas, East Texas and Lower Rio. And
7 I'm available for any questions you may have on this.

8 CHAIRMAN PAUKEN: Commissioner Alcantar.

9 COMMISSIONER ALCANTAR: I have no
10 questions.

11 CHAIRMAN PAUKEN: Commissioner Congleton.

12 COMMISSIONER CONGLETON: I have no
13 questions. I move that we distribute the \$1,550,000 in
14 WIA statewide to the four listed boards as discussed.

15 COMMISSIONER ALCANTAR: I second.

16 CHAIRMAN PAUKEN: It's unanimous. Thank
17 you, Mr. Sparks.

18 MR. SPARKS: Thank you.

19 AGENDA ITEM NO. 9

20 CHAIRMAN PAUKEN: Item 9, Discussion,
21 consideration, possible action regarding revisions to
22 Program Year 2011 WIA dislocated worker activities
23 formula fund allocations and the use of rapid response
24 and other additional assistance to address local
25 workforce board funding shortfalls for July 1st, 2011

1 through September 30th, 2011. Again, Mr. Sparks.

2 MR. SPARKS: Commissioners, we have no
3 information to present or actionable items under this
4 agenda item.

5 CHAIRMAN PAUKEN: Okay.

6 MR. SPARKS: Thank you.

7 AGENDA ITEM NO. 10

8 CHAIRMAN PAUKEN: No. 10, Discussion,
9 consideration, possible action regarding negotiating
10 Program Year 2011 performance measure targets with the
11 U.S. Department of Labor, Mr. Adam Leonard.

12 MR. LEONARD: Good morning, Commissioners.
13 The Department of Labor, subsequent to my providing the
14 briefing document in your notebooks, did finally put out
15 guidance for negotiations on veterans measures, and,
16 however, that guidance doesn't really change our overall
17 thinking on the strategy, given that we've already
18 negotiated the ES and WIA targets with the ETA side of
19 the house; and the veterans measures in particular are
20 subsets of the ES performance. It makes sense to
21 continue to request that the existing targets for PY '10
22 be extended to PY '11 for the veterans measures and
23 would like permission to go forward to make that
24 recommendation to DOL and negotiate final targets to
25 bring back to you hopefully in the next few weeks for

1 your approval.

2 CHAIRMAN PAUKEN: Any discussion?

3 COMMISSIONER ALCANTAR: I have no
4 questions.

5 CHAIRMAN PAUKEN: Commissioner Congleton.

6 COMMISSIONER CONGLETON: Move that we
7 request the DOL to extend the veterans 2010 targets to
8 the Program Year 2011 and authorize Mr. Leonard to
9 negotiate with DOL on our behalf.

10 COMMISSIONER ALCANTAR: I agree.

11 CHAIRMAN PAUKEN: It's unanimous. Thank
12 you, Mr. Leonard.

13 AGENDA ITEM NO. 11

14 CHAIRMAN PAUKEN: Discussion,
15 consideration and possible action regarding board
16 Contract Year 2012 board performance measures and
17 targets.

18 MR. LEONARD: Commissioners, two weeks ago
19 you-all approved staff recommendation to offer the
20 boards the option of extending their current year
21 targets as we did with the Department of Labor for
22 statewide targets. We received some information back
23 last week which we weren't able to complete reviewing it
24 until late yesterday. So I would like to go ahead and
25 delay this item until next week so that there's

1 opportunity to brief staff and make sure there are no
2 questions before we actually present it for approval.

3 CHAIRMAN PAUKEN: Thank you, Mr. Leonard.

4 AGENDA ITEM NO. 12

5 CHAIRMAN PAUKEN: No. 12, Discussion,
6 consideration and possible action recording approval of
7 local workforce development board nominees, John Fuller.

8 MR. FULLER: Good morning, Chairman
9 Pauken, Commissioner Congleton, Commissioner Alcantar,
10 and Mr. Temple. For the record, I'm John Fuller with
11 the Workforce Development Division. Commissioners,
12 before you today, we have nominees from Golden Crescent,
13 Deep East Texas, Central Texas, Gulf Coast, Tarrant
14 County, Coastal Bend, and Capital Area.

15 CHAIRMAN PAUKEN: I have no questions with
16 regard to any of them. Commissioner Congleton.

17 COMMISSIONER CONGLETON: I move that we
18 approve the local board nominees as recommended by
19 staff.

20 COMMISSIONER ALCANTAR: I agree.

21 CHAIRMAN PAUKEN: It's unanimous. Thank
22 you, Mr. Fuller.

23 MR. FULLER: Thank you.

24 AGENDA ITEM NO. 13

25 CHAIRMAN PAUKEN: I don't believe we have

1 any legislative report from Mr. McCarty today.

2 AGENDA ITEM NO. 14

3 CHAIRMAN PAUKEN: Mr. Temple, do you have
4 anything to report to us?

5 MR. TEMPLE: The only thing, I would let
6 you-all know that the letters that you signed,
7 Mr. Chairman, to all the chief elected officials in the
8 areas that we usually have to work with during the
9 hurricane season in the event of went out last week.
10 And we'll get copies of those out to the boards, but
11 it's our normal deal about our process, what service is
12 available, clean-up and those type things in the
13 unlikely event hopefully that we have a hurricane, but
14 you can never tell. But, anyway, just want to let you
15 know.

16 CHAIRMAN PAUKEN: It's been a strange
17 year, Mr. Temple.

18 MR. TEMPLE: That it has.

19 CHAIRMAN PAUKEN: All right. Thank you
20 very much.

21 AGENDA ITEM NO. 17

22 CHAIRMAN PAUKEN: Is there anything else?
23 If not, I'll entertain a motion to adjourn.

24 COMMISSIONER CONGLETON: So made.

25 COMMISSIONER ALCANTAR: Second.

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CHAIRMAN PAUKEN: It's unanimous.
(At this time, the proceedings were
adjourned at 9:36 o'clock a.m.,
Tuesday, June 21, 2011.)

1 STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3 I, LYDIA L. EDWARDS, certified shorthand
4 reporter for the State of Texas, do hereby certify that
5 the above-captioned matter came on for hearing before
6 the TEXAS WORKFORCE COMMISSION as hereinafter set out.

7 I FURTHER CERTIFY that the proceedings of said
8 hearing were reported by me, accurately reduced to
9 typewriting under my supervision and control, and, after
10 being so reduced, were filed with the TEXAS WORKFORCE
11 COMMISSION.

12 GIVEN UNDER MY OFFICIAL hand of office at
13 Austin, Texas, the _____ day of June, 2011.

14

15

16

17

Lydia L. Edwards
Certification No. 2567
My Commission Expires 12/31/12

18

19

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