

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING

TUESDAY, JULY 3, 2007

BE IT REMEMBERED THAT at approximately
1:00 p.m., Tuesday, the 3rd day of July 2007, the
above-entitled matters came on for hearing at the
Texas Workforce Commission, TWC Building, 101 East
15th Street, Room 244, Austin, Texas before
DIANE RATH, RON LEHMAN and RONALD G. CONGLETON,
COMMISSIONERS, and LARRY TEMPLE, EXECUTIVE DIRECTOR,
of the Texas Workforce Commission; and the following
proceedings were reported by Patricia Gonzalez, a
Certified Shorthand Reporter, in the State of Texas.

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

2 TUESDAY, JULY 3, 2007

3 (1:00 p.m.)

4 AGENDA ITEM NO. 1

5 CHAIR RATH: Okay. We'll go ahead and
6 get started, and I think we have one case to come back
7 before us.

8 AGENDA ITEM NO. 2

9 Discussion, Consideration and Possible
10 Action Regarding Whether to Assume Continuing
11 Jurisdiction on Unemployment Compensation Cases, Wage
12 Claim Cases, and/or Tax Liability Cases and
13 Reconsideration of Unemployment Compensation Cases,
14 Wage Claim Cases, and/or Tax Liability Cases, if Any.

15 The Commission considered and approved a
16 request by staff to resubmit Case Number 06-061389-3
17 on a future docket.

18 AGENDA ITEM NO. 3

19 Discussion, Consideration and Possible
20 Action Regarding Tax Liability Cases Listed on the
21 Texas Workforce Commission Docket 27.

22 No discussion.

23 AGENDA ITEM NO. 4

24 Discussion, Consideration and Possible
25 Action Regarding Higher Level Appeals in Wage Claim

1 Cases Listed on the Texas Workforce Commission Docket
2 27.

3 The Commission considered and took
4 action on all wage claim cases listed on Docket 27.

5 AGENDA ITEM NO. 5

6 Discussion, Consideration and Possible
7 Action Regarding Higher Level Appeals in Unemployment
8 Compensation Cases Listed on the Texas Workforce
9 Commission Docket 27.

10 The Commission considered and took
11 action on all unemployment compensation cases listed
12 on Docket 27.

13 CHAIR RATH: Okay. It's 1:26 and we'll
14 take a pause while we have everyone join us.

15 (The Commission paused and continued
16 with the remainder of the agenda.)

17 AGENDA ITEM NO. 6

18 CHAIR RATH: Okay. We'll go ahead and
19 continue with our agenda.

20 Is there anyone signed up for public
21 comment?

22 MS. SNOW: No.

23 CHAIR RATH: Thank you.

24 AGENDA ITEM NO. 7

25 CHAIR RATH: And our Trust Fund

1 Projection.

2 Mr. Townsend.

3 MR. TOWNSEND: Good afternoon,
4 Commissioners. My name is Randy Townsend, Chief
5 Financial Officer.

6 The Trust Fund projection for
7 October 1st, 2007 has been prepared as of June 27th.
8 We're estimating that the Trust Fund balance will be
9 2 billion 83.1 million on October 1st. This will be
10 1 billion 186.4 million above the floor. It would
11 also mean that the Trust Fund is 289.7 million above
12 the ceiling on that date.

13 A couple of observations to share: For
14 the last six completed weeks, ending June 16, the
15 total net benefits paid averaged 20 million per week,
16 up slightly 3 percent from the one-year ago six-week
17 average of 19.4 million. Initial claims averaged
18 12,568 for the six weeks ending June 16th. That was
19 down slightly, 1.78 percent from the one-year ago
20 six-week average of 12,796.

21 And that concludes my presentation. If
22 you have questions or comments --

23 COMM. LEHMAN: Looks good.

24 CHAIR RATH: Looks real good, especially
25 when we look that we're using an unemployment rate of

1 4.35. So really good.

2 MR. TOWNSEND: Thank you.

3 AGENDA ITEM NO. 8

4 CHAIR RATH: Okay. Next, possible
5 action regarding '08 planning estimates for the
6 apprenticeship programs.

7 Hello.

8 MR. ROSS: Good morning, Chair Rath,
9 Commissioners, Mr. Temple. For the record, my name is
10 Chuck Ross from Workforce UI Policy.

11 This afternoon for your consideration
12 we're bringing forward recommendations regarding
13 Fiscal Year 2008 funding for Chapter 133
14 Apprenticeship Training programs. As you-all are
15 aware, on an annual basis, the Texas Workforce -- the
16 Texas Workforce Investment Council makes
17 recommendations to the Commission regarding
18 contact-hour rate, a percentage of funds to be
19 reserved for new programs or established programs not
20 currently receiving Chapter 133 funds and funds for
21 apprenticeship instructor training.

22 Based upon what we've received back from
23 TWIC, staff is making the following recommendations,
24 contingent, of course, upon the Commission's adoption
25 of Fiscal Year 2008 Operating Budget.

1 First, a planning estimate of \$1,603,292
2 in apprenticeship funds for Fiscal Year 2008. Second,
3 a contact-hour rate not to exceed \$4. Third, a
4 5 percent reserve of the Planning Estimate Funds for
5 new or established apprenticeship programs that did
6 not receive Chapter 133 funds in FY 2007. And,
7 finally, a \$25,000 reserve of the Planning Estimate
8 Funds for apprenticeship instructor training. In
9 addition, we're seeking your approval to provide
10 public notice of the amount of funds available to
11 support apprenticeship training programs.

12 With that, I'm happy to answer any
13 questions you-all may have.

14 CHAIR RATH: I don't have any. I know
15 that you-all are working really hard with the
16 contractor to make sure that all their bills are
17 timely submitted this year for the apprenticeship
18 instructor training, and I also look forward to some
19 of the proposals that you-all are talking about doing
20 for funding mechanisms in the future, but at this
21 point in time, I'm fine with the recommendation.

22 COMM. LEHMAN: And I'm -- my briefing
23 was complete. I have no questions.

24 COMM. CONGLETON: I'm fine as well.

25 Thank you, Chuck.

1 MR. ROSS: Thank you-all very much.

2 CHAIR RATH: Thank you.

3 AGENDA ITEM NOS. 9

4 CHAIR RATH: And that bring -- I don't
5 believe we have anything to do with allocations and
6 planning estimates or that. And I know that there's
7 been a lot of really good conversations between our
8 staff and the Board staffs on both -- some of the
9 performance targets; so I'm really encouraged by those
10 conversations.

11 AGENDA ITEM NO. 10

12 CHAIR RATH: And that brings us to
13 nominees from Permian Basin, Heart of Texas, Brazos
14 and South Texas.

15 Are there any questions or is there a
16 motion?

17 COMM. LEHMAN: I would -- I have no
18 questions. I would move approval of the nominees with
19 the exception of No. 2 under Brazos Valley. I have
20 not -- no doubt that Nominee No. 2 from Brazos Valley
21 is a high-quality person and a well-intentioned Board
22 member. If she were being nominated for a slot other
23 than a private sector slot, I would be very
24 supportive.

25 I feel it's unfortunate that child care

1 is grouped in the same industry sector category as
2 healthcare and that there are no other Board members
3 or nominees from the healthcare sector, an industry
4 sector with over 10,000 workers and 13 percent of the
5 workforce in the area and with the highest demands for
6 qualified healthcare workers and technicians. I just
7 don't feel that a healthcare provider with two
8 employees is the appropriate representation for the
9 healthcare industry for the entire workforce area.

10 CHAIR RATH: I agree with all of the
11 nominees. In fact, I'm very impressed by the high
12 caliber of the nominees that are before us for
13 consideration this week. And while I certainly think
14 Brazos would benefit from having a healthcare
15 representative, I think that it is really beneficial
16 that the individual that represents child care is a
17 small business owner/operator and has been for nearly
18 30 years. So I think that's a valuable input and
19 probably one of the toughest industries with the
20 smallest margins in existence.

21 COMM. CONGLETON: I also agree with all
22 of them.

23 CHAIR RATH: Very good.

24 So they all will stand approved with
25 Commissioner Lehman's objection to the one individual.

1 AGENDA ITEM NO. 11

2 CHAIR RATH: That brings us to federal
3 and state issues.

4 MR. LEWIS: Good morning, Chair Rath,
5 Commissioners. For the record, Jesse Lewis, External
6 Relations. I have a quick update for you today
7 regarding WIA and the Food Stamp Bill.

8 Last week, the House Education and Labor
9 Committee held its first public hearing regarding
10 reauthorization of WIA. Committee staff say they hope
11 to have a bill ready for the House Floor by September.

12 You may recall that the subcommittee is
13 Chaired by Representative Hinojosa from Texas. His
14 staff has made it very clear that they do plan on
15 working with us throughout the process to ensure that
16 the issues that are of importance to Texas are fairly
17 represented.

18 Also, the staff on the Senate HELP
19 Committee informed that the Senate version of the WIA
20 reauthorization would include grandfather language to
21 protect the way we currently do business -- or our
22 current business model, as well as 100 percent
23 transferability between Adult and Dislocated Worker
24 funding streams and also makes changes to performance
25 measures, and we hope to get some more details on that

1 very soon.

2 One of the things that they're talking
3 about, we've -- as we've heard every year, moving this
4 very quickly through the process. One of the things
5 that makes them a little more hopeful this time is
6 some of the language that was included in past
7 versions that was directly related to faith-based
8 initiatives, they don't -- as of yet, have not
9 surfaced and don't think that that's going to be
10 amended onto the bill. So they think that will move
11 it a lot quicker through the process.

12 On the Food Stamp front, staff for
13 Representative Lampson -- Congressman Lampson have
14 presented the committee with language that would more
15 narrow the scope and not have us have to reverse how
16 we do our Food Stamp Employment and Training, but that
17 it would only apply to the eligibility portion. And
18 that's -- that is their stated intent -- intent, and
19 they also believe that they'll be able to fix that.

20 So with that, I'll be glad to answer any
21 questions.

22 CHAIR RATH: Okay. I just want to say I
23 really appreciate the work that your staff is doing on
24 all the issues, and particularly the Food Stamp issue,
25 and I think they've gotten some really good

1 conversations to better improve our system.

2 MR. LEWIS: Thank you.

3 CHAIR RATH: So I appreciate it.

4 Any questions?

5 COMM. LEHMAN: No questions.

6 COMM. CONGLETON: No questions.

7 MR. LEWIS: I'd like to dote on that.

8 Joe has just been wonderful, and we really appreciate
9 the help that he's been providing. And last week,
10 Mr. McCarty was able to go up there and reinforce some
11 of the things that Joe has been delivering with an
12 additional Austin perspective, and it was well
13 received.

14 CHAIR RATH: Very good. Thank you.

15 AGENDA ITEM NO. 12

16 CHAIR RATH: Mr. Temple.

17 MR. TEMPLE: One staff report from
18 Nicole Verver, is going to give you an update on our
19 efforts in working with TYC on the youth being
20 released around the state.

21 MS. VERVER: Good afternoon, Chair Rath,
22 Commissioners. Nicole Verver, Workforce Development.
23 Today, I wanted to take this opportunity to update you
24 on the Texas Youth Commission outreach initiative.

25 Beginning in April of this year, the

1 Texas Youth Commission has released approximately --
2 about 900 incarcerated youth. In an effort to assist
3 these youth, TWC share -- started outreaching these
4 youths in letting them know what services are
5 available to them and their families at the Workforce
6 Centers. This outreach effort has been a coordinated
7 effort between TYC, juvenile parole officers and our
8 local Workforce Boards.

9 TYC has provided youth with referrals to
10 the Workforce Centers and many youth have received
11 staffed-assisted services. The recent automation
12 enhancements between TYC and TWC made as a result of
13 House Bill 2837 has helped with these outreach
14 efforts.

15 Available in TWIST are TYC release and
16 referral reports so Boards can easily identify who has
17 been released and referred to Project -- for Project
18 RIO services. This has greatly increased our
19 efficiencies in outreach and also has helped with
20 communications between our Workforce Center staff and
21 the parole officers.

22 State staff recently attended DOL's
23 Youth Shared Vision Meeting in Dallas. TYC
24 representatives were present at the meeting and stated
25 that they really utilized the community resource

1 coordination groups, the CRCs at the local level, and
2 these CRCs have been the key to addressing the needs
3 of the TYC population.

4 The CRCGs are organized and established
5 on a county-by-county basis and they develop service
6 plans for children and youth whose needs can be only
7 met through inter-agency coordination. Staff recently
8 sent an information bulletin notice out to the Boards
9 encouraging that they participate in the CRCGs;
10 specifically, to help the youth.

11 At this time, I will be glad to answer
12 any questions.

13 CHAIR RATH: Thank you. I really
14 appreciate all the work that's occurred in the front
15 lines and the support that our staff is giving the
16 Boards, and, clearly, I think there's some great
17 opportunities for us to step in and fill some huge
18 vacuums. So I really thank everybody for what they're
19 doing.

20 COMM. LEHMAN: No questions.

21 COMM. CONGLETON: No questions. Thank
22 you.

23 CHAIR RATH: Very good. Thank you.

24 MR. TEMPLE: Commissioners, one other
25 thing, just to give you an update, we are working with

1 the Boards, the contractor managers on those counties
2 that have been declared disaster areas to see if there
3 is an expressed need for any -- any NEG. We have not
4 received any yet; so for those of the Boards that are
5 listening -- I know it's kind of a bad week to catch
6 folks, but we are working with them and encourage them
7 to let us know if they do see that, those needs, but
8 so far we have not received any word that anyone is
9 seeing any of that type of need.

10 So we'll keep you posted on that, but
11 that's all I've got.

12 CHAIR RATH: Thank you.

13 Commissioner, do you have anything?

14 (No verbal response)

15 CHAIR RATH: Commissioner?

16 COMM. CONGLETON: No. I don't think so.

17 CHAIR RATH: Well, then we can all
18 recess and have a very happy and safe 4th of July.
19 When it's on a Wednesday, it's an awkward timing; so
20 we really hope that you-all celebrate safely.

21 AGENDA ITEM NO. 15

22 CHAIR RATH: And we're adjourned.

23 (Proceedings concluded at 1:45 p.m.)

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

I, Patricia Gonzalez, a Certified
Shorthand Reporter in and for the State of Texas, do
hereby certify that the above-mentioned matter
occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings
of such were reported by me or under my supervision,
later reduced to typewritten form under my supervision
and control and that the foregoing pages are a full,
true and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set
my hand and seal this 10th day of July 2007.

PATRICIA GONZALEZ
Certified Shorthand Reporter
CSR No. 6367-Expires 12/31/08

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