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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, JULY 13, 2010

BE IT REMEMBERED THAT at approximately
9:00 a.m., Tuesday, the 13th day of July 2010, the
above-styled matter came on for hearing at the Texas
Workforce Commission, TWC Building, 101 East 15th
Street, Room 244, Austin, Texas, before TOM PAUKEN,
RONALD G. CONGLETON and ANDRES ALCANTAR, COMMISSIONERS,
and LARRY TEMPLE, EXECUTIVE DIRECTOR, of the Texas
Workforce Commission; and the following proceedings were
reported by Suzanne Zimmer, a Certified Shorthand
Reporter of:

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

2 TUESDAY, JULY 13, 2010

3 (9:00 a.m.)

4 CHAIRMAN PAUKEN: Good morning. The
5 meeting will now be called to order, and I'll turn the
6 meeting over to Commissioner Alcantar to preside over
7 that portion of the meeting involving Agenda Items 2
8 through 5.

9 COMM. ALCANTAR: Thank you, Chairman
10 Pauken. Good morning.

11 Good morning, Roger.

12 AGENDA ITEM NO. 2

13 Discussion, Consideration and Possible
14 Action Regarding Whether to Assume Continuing
15 Jurisdiction on Unemployment Compensation Cases, Wage
16 Claim Cases, and/or Tax Liability Cases and
17 Reconsideration of Unemployment Compensation Cases, Wage
18 Claim Cases, and/or Tax Liability Cases, if Any.
19 No discussion.

20 AGENDA ITEM NO. 3

21 Discussion, Consideration and Possible
22 Action Regarding Tax Liability Cases Listed on the Texas
23 Workforce Commission Dockets 27 and 28.

24 The Commission considered and took action
25 on all tax liability cases listed on Docket 28.

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 Dockets
5 27 and 28.

6 The Commission considered and took action
7 on all wage claim cases listed on Dockets 27 and 28.

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 Dockets 27 and 28.

13 The Commission considered and took action
14 on all unemployment compensation cases listed on Dockets
15 27 and 28.

16 COMM. ALCANTAR: That brings us to the end
17 of Agenda Item No. 5. I will turn the meeting back over
18 to Chairman Pauken.

19 CHAIRMAN PAUKEN: Okay. Mr. Jones, would
20 you check -- is there something, Roger?

21 MR. DICKINSON: Yeah. Sorry for the
22 interruption here.

23 CHAIRMAN PAUKEN: All right. We'll take a
24 brief recess.

25 (The Commission paused, then continued

1 with the remainder of the agenda.)

2 CHAIRMAN PAUKEN: I think we're ready to
3 begin.

4 Mr. Jones, any public comment?

5 (No response)

6 CHAIRMAN PAUKEN: Okay. Before we go on,
7 I would like to introduce a new member of my staff,
8 who's a policy director for my staff, Wes Riddle. Wes
9 is a retired Army officer, West Point grad.

10 And glad to have you aboard, Wes.

11 Okay. Let's go to No. 7.

12 AGENDA ITEM NO. 7

13 Discussion, Consideraton and Possible
14 Action Regarding the Acceptance of Pledges for Fiscal
15 Year 2011 Child Care Matching Funds, Juan Garcia.

16 MR. GARCIA: Good morning, Commissioners.
17 Juan Garcia with the Workforce Development.

18 Fiscal Year 2011 for Child Care Match
19 begins October 1, 2010, under Commission Rule 800.73,
20 boards have until the end of the fourth month of the
21 fiscal year to raise their local match funds. So for
22 FY '11, boards have until January 31st, 2011 to raise
23 100 percent of the match. Also for FY '11, we have
24 granted boards the flexibility to begin submitting match
25 agreements before October 1. This will allow them

1 access to their federal matching funds earlier in the
2 fiscal year.

3 So for your approval this morning, we have
4 matched pledges from Central Texas at \$127,000 in
5 certifications of expense.

6 With that, I'll answer any questions.

7 CHAIRMAN PAUKEN: Commissioner Congleton?

8 COMM. CONGLETON: I have no questions.

9 CHAIRMAN PAUKEN: Commissioner Alcantar?

10 COMM. ALCANTAR: I have no questions.

11 CHAIRMAN PAUKEN: Is there a motion?

12 COMM. CONGLETON: I move that we accept
13 the Child Care pledges for Fiscal Year 2011 Child Care
14 Matching Funds in the amount of 127,000 as discussed by
15 staff.

16 COMM. ALCANTAR: I would second.

17 CHAIRMAN PAUKEN: Okay. It's unanimous.

18 Thank you, Mr. Garcia.

19 MR. GARCIA: Thank you.

20 CHAIRMAN PAUKEN: My understanding is that
21 Item 8 is no longer on the agenda. Is that correct?

22 MR. GARCIA: That's correct, sir. We'll
23 have that on the 27th, I believe.

24 CHAIRMAN PAUKEN: All right.

25 Item Agenda 9.

1 ITEM AGENDA NO. 9
2 Discussion, Consideraton and Possible
3 Action Regarding American Recovery and Reinvestment Act
4 of 2009 (Recovery Act) Child Care Funds, Including
5 Performance Targets, Adam Leonard.

6 MR. LEONARD: Good morning, Commissioners.

7 A few weeks ago on May 25th, you-all
8 approved some adjustments to the ARA allocations to make
9 more money available for quality initiatives. And at
10 that time, that meant that there, in many instances, be
11 slightly less money available for direct care. And so
12 you directed us to go ahead and adjust those targets
13 based on the methodology we used last summer.

14 In discussing these adjustments with the
15 boards, there were a few boards who indicated that those
16 adjustments were going to problematic for them because
17 when we set the targets last year, we had to do so based
18 on, essentially, guessing what we thought the average
19 cost would be. We didn't know for certain whether this
20 population was going to look significantly different
21 than the group of the child care cases that we've had in
22 regular at-risk care. And so we used those assumptions
23 from the regular at-risk care that those cost.

24 In many instances, those -- the estimated
25 cost from last year and the actual costs that the boards

1 experienced were pretty close together. But we did
2 find, in fact, that due primarily to a much larger
3 number of cases having no copay associated with them,
4 and therefore increasing our direct care costs, that for
5 about 13 boards, their actual average cost was 5 percent
6 higher or more than what we assumed it would be last
7 year when we set these targets.

8 So we would like to recommend to you today
9 that we -- for these for 13 boards, we make adjustments
10 to their targets based on the actual average cost
11 experience that we're finding now that we have data at
12 this point. In the other instances, the adjustments
13 aren't necessary to insure that boards have an
14 opportunity to meet their target source. Here we feel
15 that for these 13, this puts them in the best
16 opportunity to achieve the targets that we would be
17 setting for them.

18 MR. TEMPLE: Mr. Chairman, what we
19 found -- and I know we've gotten the briefings, but
20 those 13 had quite a few UI claimants that they were
21 serving who did not have a copay. So that was the
22 flexibility that you gave the boards, when they put out
23 those dollars, if they could -- if they saw that they
24 could serve them. So a lot of UI people do get child
25 care during the job search supporting them. So

1 that's -- and they don't have a copay. So that was not
2 in our mix of costs prior because we had never really
3 had that population to serve. So just to kind of give
4 you some background on that.

5 CHAIRMAN PAUKEN: Commissioner Alcantar?

6 COMM. ALCANTAR: I have no questions.

7 CHAIRMAN PAUKEN: Commissioner Congleton?

8 COMM. CONGLETON: Oh, I have no problem
9 resetting the funding for those boards. I do think that
10 any time you reestablish the procedures, I would suggest
11 you bring that back to the Commission for action.

12 MR. LEONARD: Absolutely, Commissioners.

13 COMM. CONGLETON: Thank you.

14 CHAIRMAN PAUKEN: Do you need a motion?

15 MR. LEONARD: Please, to approve the
16 target recommendation.

17 CHAIRMAN PAUKEN: Commissioner Congleton?

18 COMM. CONGLETON: I move that we approve
19 resetting of funding child care targets for 13 of the
20 boards using updated direct health care costs as
21 substance as discussed. I move the board -- if the
22 board costs increase in the future, the staff should
23 continue to follow the staff's procedure and bring the
24 matter of further targets, adjustments forward to the
25 Commission for action.

1 COMM. ALCANTAR: I will second that.

2 CHAIRMAN PAUKEN: It's unanimous.

3 MR. LEONARD: Thank you.

4 CHAIRMAN PAUKEN: Thank you, Mr. Leonard.

5 AGENDA ITEM NO. 10

6 Discussion, Consideration and Possible
7 Action Regarding Publication for Public Comment of
8 Proposed Rules Relating to Child Care Services
9 Concerning Sex Offender Registry Checks and Other
10 Requirements Regarding the Use of Relative In-home Care
11 Providers, Nicole Verver.

12 MS. VERVER: Good morning, Chairman
13 Pauken, Commissioners. Nicole Verver, Work Force
14 Development.

15 For you consideration this morning, our
16 proposed rules to Chapter 809, the Child Care Service
17 Rules, on April 27th the Commission approved a policy
18 concept for rule changes, which addressed the following
19 issues: The frequency of the Department of Public
20 Safety Sex Offender Registry Checks for Relative In-home
21 Care Providers.

22 Specifically, the proposed rules required
23 boards to ensure that relative child care providers
24 caring for a child in the child's own home, do not
25 appear on the DPS sex offender registry at the point of

1 the initial determination, at the parents
2 redetermination, and when the parent transfers to a
3 different relative child care provider.

4 The proposed rules also placed additional
5 requirements on the use of relative in-home care in
6 order to max -- or minimize the risk and health --
7 health and safety of children. The proposed rules limit
8 in-home care to situations where a child is disabled,
9 the child is under 18 months of age, a child of a teen
10 parent, and when the parents' work schedule requires
11 evening, overnight or weekend child care. The comments
12 we received on the policy concept were in support of the
13 policy changes.

14 Now at this time, I will be glad to answer
15 any questions.

16 CHAIRMAN PAUKEN: Commission Congleton?

17 COMM. CONGLETON: I have no questions.

18 CHAIRMAN PAUKEN: Commissioner Alcantar?

19 COMM. ALCANTAR: I have no questions.

20 CHAIRMAN PAUKEN: Is there a motion?

21 COMM. CONGLETON: I move that we approve
22 the proposed rules and publish them in the Texas registry
23 for comment.

24 COMM. ALCANTAR: I would second.

25 CHAIRMAN PAUKEN: It's unanimous. Thank

1 you, Nicole.

2 No. 11 has been postponed. No. 12.

3 AGENDA ITEM NO. 12

4 Discussion, Consideration and Possible
5 Action Regarding Adoption of Emergency Rules Relating to
6 the Coordination of Emergency Unemployment Compensation
7 with Regular Compensation, Debbie Carlson.

8 Is that not on today?

9 UNIDENT. SPEAKER: No, sir.

10 CHAIRMAN PAUKEN: Okay. We'll go on to
11 13.

12 AGENDA ITEM NO. 13

13 Discussion, Consideration and Possible
14 Action Regarding Approval of Local Workforce Development
15 Board Nominees, Mr. Fuller.

16 MR. FULLER: Chairman Pauken,
17 Commissioners, Mr. Temple, good morning. I'm John
18 Fuller of the Workforce Development Division.

19 Today before you, you have nominees from
20 the Rural Capital Area, Deep East Texas, Panhandle,
21 South Plains, Brazos Valley, Middle Rio Grande, South
22 Texas, Cameron County and Texoma for your review and
23 approval.

24 CHAIRMAN PAUKEN: My understanding is
25 that, at least in one case, there's a proposed nominee

1 that's been pulled back because there's some issues
2 that have been -- need further --

3 MR. FULLER: Okay. No. 15 -- no.

4 CHAIRMAN PAUKEN: No, that's not --

5 MR. FULLER: No. 1, under Cameron County,
6 we'll hold that one back, bring it back for
7 consideration on the 27th.

8 CHAIRMAN PAUKEN: Okay.

9 All right. Any discussion?

10 COMM. CONGLETON: No discussion. I move
11 that we approve the nominees from Rural Capital, Deep
12 East, Panhandle, South Plains, Brazos Valley, Middle
13 Rio, South Texas, Cameron County and Texoma.

14 COMM. ALCANTAR: I would second.

15 CHAIRMAN PAUKEN: It's unanimous. Thank
16 you, Mr. Fuller; with that exception.

17 MR. FULLER: Thank you.

18 Mr. McCarty; is he not here? Is there
19 any --

20 MR. TEMPLE: Courtney.

21 CHAIRMAN PAUKEN: Okay. Courtney.

22 AGENDA ITEM NO. 14

23 Discussion, Consideraton and Possible
24 Action Regarding Enacted, Proposed or Considered Federal
25 Regulations, Executive Orders, or Federal or State

1 Enacted or Proposed Legislation.

2 MS. YANTIS: Chairman, Commissioners;
3 Courtney Yantis, Director of Governmental Relations.
4 I'm here for Tom McCarty.

5 As you know, tomorrow we testify before a
6 senate business and commerce committee on two charges.
7 The first charge will be on the unemployment insurance
8 system, and the second charge will be on Workforce
9 training programs. Mr. Temple is going to testify on
10 our behalf.

11 Next week we were scheduled to testify
12 before a senate finance committee, but that's been
13 canceled, not yet scheduled for a later date. But we'll
14 keep you updated once that happens.

15 CHAIRMAN PAUKEN: Thank you. All right.
16 Anything from you, Mr. Temple?

17 MR. TEMPLE: No staff reports, sir.

18 CHAIRMAN PAUKEN: Okay. Then I guess at
19 this point, we're going to go into Executive Session
20 pursuant to Government Code 551.074 to discuss the
21 Appointment, Employment, Evaluation, Reassignment,
22 Duties, Accomplishments, Performance, Goals and
23 Responsibilities of the Executive Staff and Other
24 Personnel.

25

1 (Executive Session: 9:57 a.m. to
2 10:16 a.m.)

3 CHAIRMAN PAUKEN: Okay. Is there a
4 motion?

5 COMM. CONGLETON: Yes, so may.

6 COMM. ALCANTAR: Second.

7 CHAIRMAN PAUKEN: Okay. It's unanimous.

8 (Proceedings concluded at 10:16 a.m.)

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

I, SUZANNE ZIMMER, 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 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 19th day of July 2010.

SUZANNE ZIMMER
Certified Shorthand Reporter
CSR No. 8323-Expires 12/31/10

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