

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

4 PUBLIC MEETING)
5 FOR THE TEXAS)
6 WORKFORCE COMMISSION)

6

7 COMMISSION MEETING

8 WEDNESDAY, JANUARY 2, 2008

9

10 BE IT REMEMBERED THAT at approximately
11 1:01 p.m., Wednesday, the 2nd day of January, 2008,
12 the above-entitled matters came on for hearing at the
13 Texas Workforce Commission, TWC Building, 101 East
14 15th Street, Room 244, Austin, Texas, before DIANE
15 RATH, RON LEHMAN and RONALD G. CONGLETON,
16 COMMISSIONERS, and LARRY TEMPLE, EXECUTIVE DIRECTOR,
17 of the Texas Workforce Commission; and the following
18 proceedings were reported by Janis Simon, a Certified
19 Shorthand Reporter of:

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

2 WEDNESDAY, JANUARY 2, 2008

3 (1:01 p.m.)

4 AGENDA ITEM NO. 1

5 CHAIR RATH: Okay. We'll go ahead and
6 come to order. I hope everybody had a good Christmas
7 and New Year's, and I think there's one Wage Claim
8 that y'all want to submit.

9 AGENDA ITEM NO. 2

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

17 AGENDA ITEM NO. 3

18 Discussion, Consideration and Possible
19 Action Regarding Tax Liability Cases Listed on the
20 Texas Workforce Commission Dockets 52 and 1
21 The Commission considered and took
22 action on all Tax Liability cases listed on Docket 52.

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 Dockets
2 52 and 1

3 The Commission considered and agreed to the
4 resubmission of Case No. 07-072370-0 on a future
5 docket and then took action on the remaining Wage
6 Claim Cases listed on Dockets 52 and 1.

7 AGENDA ITEM NO. 5

8 Discussion, Consideration and Possible
9 Action Regarding Higher Level Appeals in Unemployment
10 Compensation Cases Listed on the Texas Workforce
11 Commission Dockets 52 and 1

12 The Commission considered and took
13 action on all unemployment compensation cases listed
14 on Dockets 52 and 1.

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

17 CHAIR RATH: Okay. We'll go ahead and
18 continue with our agenda, and we hope everyone had a
19 wonderful Christmas and New Year's and wish everyone
20 a -- a wonderful and successful '08 as we go forward.

21 AGENDA ITEM NO. 6

22 CHAIR RATH: And do we have anyone
23 signed up for public comment?

24 MR. BALLARD: No, we do not.

25

1 AGENDA ITEM NO. 7

2 CHAIR RATH: And, then, that brings us
3 to '07 where Cameron County is modifying their
4 existing agreement. So, we would need to accept
5 \$22,772 from the City of Harlingen.

6 COMM. LEHMAN: I'll enter a motion to
7 accept the Child Care pledges.

8 COMM. CONGLETON: And I'll second.

9 CHAIR RATH: And I agree. Very good.

10 AGENDA ITEM NO. 8

11 CHAIR RATH: Then, that brings us to
12 this year, and we have '08 pledges of \$1,866,222 from
13 East Texas, Gulf Coast, Heart of Texas and Upper Rio.
14 Is there a motion?

15 COMM. LEHMAN: Move to approve.

16 COMM. CONGLETON: And I'll agree.

17 CHAIR RATH: And I also agree. And we
18 have 17 boards that are now fully secured with almost
19 77 percent of the dollars in. So, the boards are
20 doing very well.

21 AGENDA ITEM NO. 9

22 CHAIR RATH: And that brings us to
23 nominees before us, and we have nominees from Heart of
24 Texas, Rural Capital, Upper Rio and Concho Valley.

25 COMM. CONGLETON: Move to approve the

1 nominees for Heart of Texas, Rural Capital, Upper Rio
2 Grande and Concho Valley Workforce Boards as presented
3 by staff.

4 COMM. LEHMAN: I am going to second the
5 nominees, with the exception of withholding my support
6 for Nominee No. 1 under the Heart of Texas.

7 CHAIR RATH: And -- and I agree. I
8 agree with all of the nominees, except Nominee No. 1.
9 And I would like to say that this individual appears
10 to have a great background, I think would be a
11 wonderful, contributing member of the board. And --
12 and, clearly, with reappointment he has had a
13 tremendous insight and value.

14 But I have been very concerned for many
15 years now about not have -- being employers that have
16 no employees. So, I also will not approve No. 1.

17 With that said, the other nominee from
18 Heart of Texas, plus the nominees from Rural Capital,
19 Upper Rio and Concho Valley are all approved.

20 I also want to express my concern about
21 Upper Rio. They desperately need to address the
22 inadequacies in their demographics. It's been an
23 ongoing issue for sometime now. Their ethnic
24 representation is terribly out of balance, and I'm not
25 going to be able to support this continued imbalance,

1 if the nominees who continue to come do not correct
2 it.

3 AGENDA ITEM NOS. 10 & 11

4 CHAIR RATH: Is there anything on state
5 and federal issues?

6 MR. TEMPLE: I don't think we have
7 anything.

8 CHAIR RATH: Anybody to give a report?

9 MR. TEMPLE: Jesse -- I mean, Tom,
10 anything on state and fed?

11 MR. McCARTY: (Shaking head)

12 MR. TEMPLE: We do have an update. It
13 kind of falls under staff reports and fed, I guess,
14 you could put them both on -- on the rescission and
15 the cryptic message we got on our grant notice. And
16 we're not real sure what that is yet. But, anyway,
17 I've -- I've asked Gene, Finance and GR to get
18 together on that, and this is a report on that.

19 MR. CRUMP: Good afternoon,
20 Commissioners. For the record, Gene Crump, Deputy
21 Executive Director.

22 Commissioners, basically, this is for
23 our local board information. We wanted to recap the
24 information that we had sent to your offices last
25 week.

1 First, staff estimates that the impact
2 of the WIA rescission to be about 9.3 million in
3 Program Year 2005 and 2006 funds. If we're
4 interpreting the instructions correctly, the
5 rescission would have to be applied as follows:
6 3.7 -- 3.7 million to the boards and 5.6 million to
7 the state.

8 Second, as you know, we received an
9 unannounced WIA grant modification that results in a 2
10 percent reduction, which translates into a
11 two-and-a-half-million-dollar impact to our PY '07
12 funding. That would be split between 1.2 million to
13 WIA Adult, and 1.3 million would be charged against
14 dislocated worker funds.

15 The grant modification document included
16 the following comment: "Funding less than 2 percent
17 hold pending legal review of a previously-enacted
18 rescission provision." Now, staff is not exactly sure
19 what that statement means yet. We've checked with
20 California.

21 Mr. Temple has called Mr. Juarez at DOL
22 Regional. We haven't received any additional
23 information to clarify that yet. Basically, all we
24 can assume is at this point the 2.5 million reduction
25 is on top of the rescission.

1 Finally, there was a footnote on the
2 recap of the appropriation amounts that was provided
3 to all states that discussed the 1.7 percent
4 across-the-board reduction. We're still reviewing
5 what that impact would be. And at this point, as we
6 obtain additional clarification on the estimates, we
7 will prepare our options for Commission consideration
8 as to how to implement the reductions.

9 That concludes my report.

10 CHAIR RATH: Thank you. I -- I think
11 we're all very concerned about this. And we wanted to
12 be sure that the boards were aware of the issues that
13 we're dealing with, because we, clearly, knew we
14 already had sustained a rescission and we knew we had
15 the across-the-board coming. But this unilateral
16 decision, I think, is a great concern, particularly
17 when nobody can seem to explain it.

18 I'm also very concerned about some of
19 the instructions and issues that accompany it that
20 would further limit it. And I think as we gain more
21 understanding and get more information we, clearly,
22 will have to be very aggressive in -- in understanding
23 what the options and alternatives are.

24 Very good. Anything else?

25 COMM. LEHMAN: (Inaudible)

1 CHAIR RATH: As a follow-up, any
2 questions for Gene?

3 COMM. LEHMAN: No. Thank you. I
4 appreciate it.

5 COMM. CONGLETON: We'll wait for further
6 clarification.

7 MR. TEMPLE: I've got a call into Joe.
8 As soon as I hear back from him, I'll -- I'll let you
9 know.

10 CHAIR RATH: Very good. Anything else?

11 MR. TEMPLE: Nothing else,
12 Commissioners.

13 CHAIR RATH: Very good.

14 Commissioner, do you have anything?

15 COMM. LEHMAN: Just a request to Larry
16 and -- and Team and to make sure that you folks are in
17 the loop, my -- my colleagues.

18 I have been asked to join a group of
19 business leaders who will -- are exploring obtaining
20 some additional federal funding from the Department of
21 Commerce on math and science, engineering technology
22 kinds of initiatives. You may have already heard
23 about this a little bit, but the meeting is next
24 Monday here. And some -- one, two or three -- people
25 from Washington D.C. will be down.

1 So, I would ask if you would arrange for
2 the proper staff member -- or two or three -- however
3 many you deem appropriate to be available. And I'll
4 get you the details as soon as possible.

5 I -- I don't believe there is any
6 commitment that's going to be sought on our part, but
7 I always look for the opportunity to collaborate and
8 invest in the state's workforce.

9 CHAIR RATH: Commissioner, do you have
10 anything?

11 COMM. CONGLETON: No, I don't.

12 And good luck with that.

13 CHAIR RATH: Very good.

14 AGENDA ITEM NO. 14

15 CHAIR RATH: Okay. If there's nothing
16 else to come before us today, it's one -- almost 1:45,
17 and we will stand adjourned.

18 (Meeting adjourned: 1:44 p.m.)

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF TRAVIS)

I, JANIS SIMON, 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 day of 2008.

JANIS SIMON
Certified Shorthand Reporter
CSR No. 7076 - Expires 12/31/09
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