

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING

TUESDAY, FEBRUARY 27, 2007

BE IT REMEMBERED THAT at approximately
9:02 a.m., Tuesday, the 27th day of February 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 Janis Simon, a Certified
Shorthand Reporter of:

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P R O C E E D I N G S

09:00:58

TUESDAY, FEBRUARY 27, 2007

(9:02 a.m.)

AGENDA ITEM NO. 1

09:02:58

CHAIR RATH: Okay. We'll now come to

09:03:00

order, and I think we'll start with the Wage Claims.

AGENDA ITEM NO. 2

Discussion, Consideration and Possible Action Regarding Whether to Assume Continuing Jurisdiction on Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases and Reconsideration of Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases, if Any

No discussion.

AGENDA ITEM NO. 3

Discussion, Consideration and Possible Action Regarding Tax Liability Cases Listed on the Texas Workforce Commission Docket 9

No discussion.

AGENDA ITEM NO. 4

09:04:22

Discussion, Consideration and Possible Action Regarding Higher Level Appeals in Wage Claim Cases Listed on the Texas Workforce Commission Docket 9

09:04:26

The Commission considered and took action on

all Wage Claim Cases listed on Docket 9.

AGENDA ITEM NO. 5

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

The Commission considered and took
action on all Unemployment Compensation Cases listed
on Docket 9.

(Wage Claim and UI cases were heard from
9:02 a.m. to 9:19 a.m.)

09:04:26

09:01:22

09:31:02

CHAIR RATH: Okay. It is 9:19, and we
will stand in recess until 9:30 when we'll continue
with the remainder of our agenda.

(Recess: 9:19 a.m. to 9:31 a.m.)

09:31:02

09:31:04

CHAIR RATH: Okay. We'll go ahead and
come back to order.

AGENDA ITEM NO. 6

09:31:06

09:31:08

09:31:08

CHAIR RATH: Is there any public
comment?

MR. BALLARD: No.

AGENDA ITEM NO. 7

09:31:10

09:31:12

09:31:18

CHAIR RATH: Then, our next issue is the
Allocation of Trade Funds, Ms. Purnell.

MS. PURNELL: Good morning,

Commissioners; Mimi Purnell, Workforce Development.

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Before you this morning is a request for additional funds in the amount of 1 point -- or \$1,545,480 for Upper Rio Grande for additional assistance for their Trade program. Since September, they have experienced five additional layoffs that were trade-certified for a total of about almost 500 people, and two of those have been since September for a total of 355.

If there are any questions, I'd be happy to try and answer them.

CHAIR RATH: Are there any questions, or is there a motion?

COMM. CONGLETON: No questions.

COMM. LEHMAN: None.

COMM. CONGLETON: I move that we approve the distribution of the additional funds to the Upper Rio Grande Workforce Development Board as discussed.

COMM. LEHMAN: Second.

CHAIR RATH: And I agree --

MS. PURNELL: Thank you very much.

CHAIR RATH: -- therefore, we approve a little bit over 1.5 million. Thank you.

MS. PURNELL: Thank you

AGENDA ITEM NO. 8

09:32:18 CHAIR RATH: Next, we have Workforce
09:32:20 Board Nominees today from Brazos Valley, Permian
09:32:22 Basin, East Texas, Concho Valley, North East and Heart
of Texas, Mr. Fuller.

09:32:26 MR. FULLER: Good morning, Chair Rath,
09:32:28 Commissioner Lehman, Commissioner Congleton,
09:32:28 Mr. Temple. I'm John Fuller with the Workforce
09:32:32 Development Division, and I'm up to inform you that
09:32:34 the nomination of North East nominee has been
09:32:38 withdrawn by the North East CEO.

09:32:42 CHAIR RATH: Thank you. Then, that
09:32:46 leaves nominees from Brazos, Permian Basin, East
09:32:48 Texas, Concho Valley and Heart of Texas. Are there
09:32:50 any questions, or is there a motion?
09:32:50

09:32:54 COMM. CONGLETON: Move to approve the
09:32:54 nominees of Brazos Valley, Permian Basin, East Texas,
09:32:54 Concho Valley and Heart of Texas as presented by
staff.

09:32:56 CHAIR RATH: And I agree.

09:32:58 COMM. LEHMAN: And I'm going to withhold
09:33:00 my support of the Heart of Texas nominee consistent
09:33:02 with my earlier position. Without reflection on the
09:33:06 nominee herself, my view is that the Chamber of
09:33:10 Commerce -- there are too many circumstances where the
09:33:12

09:33:16 Chambers of Commerce are not actively involved in
09:33:18 these processes, and they are submitted candidates as
09:33:22 a -- as a signature-only process, not a -- an input
09:33:26 and consulting process where the Chamber is actually
involved in submitting nominees.

09:33:30 And I believe that this does not serve
09:33:32 the business community well. So, I'm going to
09:33:34 withhold my second or my vote on the Heart of Texas,
09:33:36 but I will vote affirmative for the other four boards
09:33:40 remaining on the list.

09:33:44 CHAIR RATH: And all the nominees are --
09:33:46 are approved, with Heart of Texas having a two-to-one
09:33:46 vote.

09:33:50 And I would say that I would take my
09:33:50 kind of same position that I do on UI cases with so
09:33:52 many claimants that, if they sign a policy, I -- the
09:33:56 assumption is they've read it. So, they have to be
09:33:58 held accountable for any document that comes out over
09:34:02 their signature.

09:34:04 AGENDA ITEM NOS. 9 & 10

09:34:06 CHAIR RATH: With that, we'll move to
09:34:08 Mr. Lewis. Do you have anything on 9 and 10? How
about if we take them together?

09:34:10 MR. LEWIS: Good morning, Chair Rath,
Commissioners; Jesse Lewis, External Relations.

09:34:14 The House and Senate have returned from
09:34:14 their recess. This week they're going to be spending
09:34:20 their time on homeland security issues, as well as
09:34:22 foreign investment transparency and union organization
09:34:24 regulations that will be taking place in the House.

09:34:28 Here in Texas, last week the Senate work
09:34:32 group for workforce issues recommended funding for all
09:34:34 three exceptional items that the Commission has
09:34:36 requested and the two capital budget projects.
09:34:40 They'll be making those recommendations to the full
09:34:42 Senate Finance Committee.

09:34:44 This morning in the House Appropriations
09:34:46 Committee the Committee adopted the Skills exceptional
09:34:52 item to add that back in the bill and the capital
09:34:52 budget items that we have requested. For future
09:34:56 consideration, Project RIO and Career Schools will be
09:34:58 brought up at a later time for consideration.

09:35:02 In addition, this week we have three
09:35:04 items that are recommended by the Commission will be
09:35:08 heard in Committee this week. House Bill 550, which
09:35:12 is unemployment benefits for victims of family
09:35:16 violence who have to leave their job because of family
09:35:20 violence, will be up today in Business and Industry.
09:35:22 House Bill 1489, that allows bond payments or a credit
09:35:26 rate, will be up tomorrow in Economic Development; and

09:35:30 House Bill 1490, which is the last employing unit,
09:35:32 will also be up in -- in the House Economic
09:35:34 Development Committee.

09:35:36 With that, I'll be glad to answer any
09:35:38 questions or elaborate.

09:35:40 CHAIR RATH: Any questions?

09:35:42 COMM. LEHMAN: None.

09:35:44 COMM. CONGLETON: No questions.

09:35:48 CHAIR RATH: Very good.

09:35:50 MR. LEWIS: Thank you.

09:35:52 CHAIR RATH: Thank you.

09:35:54 AGENDA ITEM NOS. 11, 12 & 13

09:35:56 CHAIR RATH: Do we have anything on
09:35:58 Items 11, 12 or 13?

09:35:59 MR. BALLARD: (Shaking head)

09:36:01 AGENDA ITEM NO. 14

09:36:03 CHAIR RATH: Okay. Then, we'll move
09:36:05 down to Staff Reports, Mr. Temple.

09:36:07 MR. TEMPLE: Yes, ma'am. We have one.

09:36:09 Nicole Verver is going to give you an
09:36:11 update as you -- you guys had asked us to look at a
09:36:13 study relative to the remaining Choices population and
09:36:15 whether or not the Pay for Performance gave us a
09:36:17 harder to serve population or not. So, we entered
09:36:19 into a contract the University of North Texas, and we
09:36:21

09:36:16 have that final report. And Ms. Verver is going to
09:36:18 give you a 50-cent tour of it.

09:36:18 MS. VERVER: Good morning, Chair Rath,
09:36:24 Commissioners; Nicole Verver, Workforce Development.
09:36:24 As Mr. Temple said, I wanted to update you on the
09:36:28 results of the 2006 TANF Choices Evaluation.

09:36:30 As you recall, last year we contracted
09:36:34 with the University of North Texas to conduct an
09:36:34 evaluation on the Choices program. The purpose of the
09:36:36 evaluation was to compare several characteristics of
09:36:38 current and former Choices participants, specifically
09:36:44 focusing on common barriers to employment.

09:36:46 With the significant decrease in the
09:36:50 mandatory adult TANF caseload after the implementation
09:36:52 of Pay for Performance legislation, TWC requested this
09:36:56 evaluation to determine if the current Choices
09:37:00 participants are, in fact, "harder-to-serve." I just
09:37:00 wanted to vote that this evaluation focused on
09:37:02 mandatory clients only, and so we don't want to assume
09:37:02 the same findings for our exempt population.

09:37:04 UNT developed several research areas to
09:37:08 examine the Choices program, including harder-to-serve
09:37:12 characteristics, such as education level, disability
09:37:14 and work experience. They looked at motivation for
09:37:16 participation and the use of Transitional Child Care.

09:37:22 Data that was used for the evaluation consisted of
09:37:26 administrative data, customer and client focus groups
09:37:28 and surveys, and interviews with Board Executive
09:37:30 Directors.

09:37:32 The evaluation showed that while the
09:37:34 current Choices population was identified as having
09:37:34 more barriers to employment, the differences are not
09:37:38 large enough to -- to be significant. The study
09:37:40 concluded -- concluded the results of the Pay for
09:37:44 Performance model did not result in clients that had
09:37:48 significantly more barriers and were harder to serve.
09:37:48 As a result, the cost has remained constant preimposed
09:37:52 Pay for Performance.

09:37:54 The evaluation also examined the
09:37:54 motivational level of participants in the Choices
09:37:56 program. The primary motivation factors for Choices
09:38:00 participants to apply for TANF focused around the need
09:38:02 for immediate cash, assistance with finding a job, and
09:38:06 assistance with obtaining child care. The study also
09:38:10 found that participants who had a higher motivation
09:38:12 score were less likely to be sanctioned, spent less
09:38:16 time on TANF, and were employed.

09:38:18 The evaluation also looked at the
09:38:18 utilization of Transitional Child Care among former
09:38:22 Choices participants. Only 32 percent of former

09:38:24 customers that were surveyed for this study were
09:38:26 actually using Transitional Child Care. What the
09:38:30 study found, after surveying former Choices
09:38:30 participants, is that many preferred to use family and
09:38:34 friends. Child care fees were actually cited as the
09:38:36 lowest reason for not utilizing Transitional Child
09:38:40 Care; however, almost 80 percent of those surveys said
09:38:42 they would utilize Transitional Child Care if it was,
09:38:44 in fact, free.

09:38:46 Lastly --

09:38:46 (Laughter)

09:38:46 MS. VERVER: -- lastly, UNT explored the
09:38:50 Boards' best practices in providing and improving
09:38:52 Choices services. Strong community partnerships,
09:38:56 financial incentives and targeted activities and
09:38:58 co-enrollment were listed by the Boards as many -- as
09:39:00 some of the initiatives that were most effective in
09:39:04 serving the Choices population.

09:39:06 Based on some of the comments that were
09:39:08 recorded in the evaluation, there appears to be some
09:39:10 misunderstanding of some of the components of the
09:39:12 Choices program. So, we believe the release of the
09:39:14 report is timely. And as we go out next month and do
09:39:16 training on Choices, we'll make sure and address some
09:39:18 of the -- the misconceptions that were in the report.

09:39:20 So, at this time I'd be glad to answer
any questions.

09:39:22 CHAIR RATH: Very good.

Any questions?

09:39:22 COMM. LEHMAN: (Shaking head)

09:39:24 COMM. CONGLETON: I'm surprised about
09:39:26 the free --
09:39:28 (Laughter)

09:39:28 COMM. CONGLETON: -- no questions.

09:39:30 MS. VERVER: I -- I wanted to note that,
09:39:30 so -- (laughter)

09:39:32 CHAIR RATH: Yeah, I appreciate it. I
09:39:32 think it did give us some good information. And will
09:39:34 you get us a -- just a copy of your remarks or
09:39:36 executive summary of the study so we can have it, too?

09:39:38 MS. VERVER: Yes, ma'am, I will do that.

09:39:44 CHAIR RATH: Good. Thank you very much.
Anything else?

09:39:46 MR. TEMPLE: That's all.

CHAIR RATH: Very good.

Do you have anything, Commissioner?

09:39:48 COMM. LEHMAN: No, I do not.

09:39:48 CHAIR RATH: Very good.

09:39:50 Do you have anything?

09:39:50 COMM. CONGLETON: Well, I heard the kind

09:39:52 remarks this morning that were said about the
09:39:54 Agency -- you and the Agency, Chair Rath. I think
09:39:58 both are well deserved, and I congratulate the Agency
09:40:02 on all the compliments we're getting from over in the
09:40:04 Pink Building. Thank you-all.

CHAIR RATH: Very well said. Thank you
09:40:06 very much.

09:40:08 And -- and I think, particularly when we
09:40:10 reflect upon Representative Branch's comments, the
09:40:12 Boards really are doing a good job with outreach.

09:40:14 So, thank you for mentioning that.

09:40:16 AGENDA ITEM NO. 17

09:40:18 CHAIR RATH: Oh, it is 9:39, and we will
09:40:20 now adjourn.

(Meeting adjourned: 9:39 a.m.)

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 2007.

JANIS SIMON
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