

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING §
FOR THE TEXAS §
WORKFORCE COMMISSION §

COMMISSION MEETING

TUESDAY, MAY 15, 2007

BE IT REMEMBERED THAT at 9:00 a.m., on
Tuesday, the 15th day of May 2007, the
above-entitled meeting was held at the Texas Workforce
Commission, TWC Building, 101 East 15th Street,
Room 244, Austin, Texas, before DIANE RATH, Chair;
RON LEHMAN and RONALD G. CONGLETON, Commissioners, and
LARRY TEMPLE, Executive Director of the Texas
Workforce Commission; and the following proceedings
were reported by William C. Beardmore, a Certified
Shorthand Reporter of:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

TABLE OF CONTENTS

	PAGE
AGENDA ITEM NO. 1	3
Chair Rath	
AGENDA ITEM NOS. 2, 3 & 4	3
AGENDA ITEM NO. 5	4
AGENDA ITEM NO. 6	4
AGENDA ITEM NO. 7	5
Juan Garcia	
AGENDA ITEM NO. 8	9
AGENDA ITEM NO. 9	9
AGENDA ITEM NO. 10	9
AGENDA ITEM NO. 11	10
John Moore	
AGENDA ITEM NOS. 12 AND 13	14
Jesse Lewis	
AGENDA ITEM NOS. 14, 15, 16 & 17	16
PROCEEDINGS CONCLUDED	17
REPORTER'S CERTIFICATE	18

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

2 TUESDAY, MAY 15, 2007

3 (9:00 a.m.)

4 AGENDA ITEM NO. 1

5 CHAIR RATH: We'll go ahead and come to
6 order. And I think we have some tax cases first.

7

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 No discussion.

16

17 AGENDA ITEM NO. 3

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

21 The Commission considered and took
22 action on all tax liability cases listed on Docket 20.

23

24 AGENDA ITEM NO. 4

25 Discussion, Consideration and Possible

1 Action Regarding Higher Level Appeals in Wage Claim
2 Cases Listed on the Texas Workforce Commission
3 Docket 20.

4 The Commission considered and took
5 action on all wage claim cases listed on Docket 20.

6

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 Docket 20.

12 The Commission considered and took
13 action on all unemployment compensation cases listed
14 on Docket 20.

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

17 CHAIR RATH: Okay. We'll go ahead and
18 come to order and continue with our agenda.

19

20 AGENDA ITEM NO. 6

21 CHAIR RATH: Has anyone signed up for
22 public comment?

23 MR. BALLARD: No.

24 CHAIR RATH: Thank you.

25

1 AGENDA ITEM NO. 7

2 CHAIR RATH: Then we'll proceed with the
3 UI Reemployment Eligibility Assessment Grant Funds.
4 Mr. Garcia.

5 MR. GARCIA: Good morning, Chair Rath,
6 Commissioners. Juan Garcia with Contract Management.
7 I'm here before you to bring for your consideration
8 staff recommendation for distribution of additional
9 unemployment insurance, reemployment and the
10 eligibility assessment grant funds.

11 By way of background, on February 6th of
12 '07 the Commission approved a distribution -- an
13 initial distribution to three local workforce
14 boards -- Capital Area, Concho Valley and North
15 East -- in the amount of \$302,669.

16 In April of '07 we got notification from
17 DOL that additional funding had been approved in the
18 amount of \$337,214 for a total grant award of
19 \$659,208.

20 So staff is recommending that the
21 additional funds be distributed to the Boards that are
22 indicated on the chart that you have before you.

23 At this point, I'll answer any questions
24 you might have.

25 CHAIR RATH: Yeah. I really appreciate

1 the information that we've been receiving lately about
2 how we're moving forward with evaluating the
3 effectiveness of this.

4 I know you provided what we're doing as
5 far as an analysis for the past grant years. Would
6 you mind just reviewing that on the record for us?

7 MR. GARCIA: Yes. Initially, we did an
8 analysis of the '05 grant. However, that only focused
9 on activities that the participants went through and
10 their outcomes.

11 It really didn't compare results to a
12 group that didn't participate in the project. We have
13 now established a timeline for completing the
14 assessment of the '05 grant data, as well as analyzing
15 the '06 grant data.

16 For these two years, we've also
17 established randomly-sampled comparison groups so that
18 we can look at the exhaustion rates, duration, the
19 10-week measure, claimant reemployment and the
20 retention of the groups that participated in the
21 grants versus those that did not.

22 Also, for future grants, we are working
23 with our agency grant manager to ensure that for any
24 future grants we would review the grants to look for
25 opportunities to establish comparison groups so we can

1 have an evaluation component of those.

2 CHAIR RATH: Very good. I'm sorry. If
3 you said this, I apologize. But we should have that
4 analysis done at least by '05 by late summer. Is that
5 correct?

6 MR. GARCIA: That is correct. For the
7 '05 grant, we'll have some information by the end of
8 July, and on the retention we should have information
9 by the end of September of '07.

10 CHAIR RATH: Thank you. I'll just add
11 that I think that is very important, because I
12 continue to wonder why we are giving this money away
13 unless we know what value it has, and I think the
14 results will be very, very help.

15 So I look forward to getting that and
16 seeing if there is value to this investment of funds.
17 Thank you. Do you have any questions?

18 COMM. LEHMAN: I would just like to have
19 a perspective whenever you're ready on how much of
20 this is what I would call a "traditional business as
21 usually approach" and how much of it has any kind of
22 real uniqueness or creativity of doing things
23 differently.

24 The more I think about our application
25 and work search process the more I think we spend too

1 much time looking backwards about jobs that people
2 used to have and not enough time looking forward about
3 the skills they need to address the skills needed in
4 the future that the employers have, and I guess I
5 would be really interested in your perspectives and
6 your commentary on that as it evolves.

7 MR. GARCIA: Okay. We'll do that,
8 Commissioner. Thank you.

9 COMM. LEHMAN: Thank you.

10 COMM. CONGLETON: Well, I look forward
11 to seeing what job retention rate we had in 2005 and
12 what we're getting for our money as well.

13 I don't know that you know how far you
14 can look into the future, but I hope you can. And
15 with that, I'd move that we distribute additional
16 federal grant funds as recommended by the staff.

17 COMM. LEHMAN: Second.

18 CHAIR RATH: And I agree. Thank you.
19 And before we continue, I saw a dear friend walk in --
20 our former colleague, Commissioner O'Mahoney and now
21 Commissioner of the Veterans Commission has joined us.

22 So it's always good to see you. Do you
23 have any wisdom you want to share with us or --

24 COMM. O'MAHONEY: No, ma'am. I'm just
25 hear to listen and learn as Mr. Hammond used to say.

1 CHAIR RATH: Very good. Thank you.

2 Well, welcome. It's always good to see you, and we
3 clearly appreciate the relationship we have with the
4 Veterans Commission.

5 COMM. O'MAHONEY: Thank you.

6 CHAIR RATH: Thanks.

7

8 AGENDA ITEM NOS. 8 AND 9

9 CHAIR RATH: We'll then continue with --
10 I don't think we have anything on the '08 planning
11 grants today. I think we finished all of that last
12 week.

13 I didn't think -- I know we've been
14 getting e-mails from Mr. Leonard, but I don't think we
15 have anything to add to that today.

16

17 AGENDA ITEM NO. 10

18 CHAIR RATH: And that will bring us to
19 Workforce Board Nominees. And we have before us
20 nominees from Tarrant, Lower Rio, Coastal Bend and
21 South East.

22 Are there any questions or is there a
23 motion?

24 COMM. LEHMAN: I have no questions.

25 I'll enter --

1 COMM. CONGLETON: Go ahead.

2 COMM. LEHMAN: I'll enter a motion to
3 approve the nominees for all four of the Boards.

4 COMM. CONGLETON: And I agree.

5 CHAIR RATH: And I also agree. Thank
6 you.

7

8 AGENDA ITEM NO. 11

9 CHAIR RATH: And then we have a letter
10 of appreciation to the district attorneys. Mr. Moore?

11 MR. MOORE: Good morning, Chair Rath,
12 Commissioners and Mr. Temple.

13 My name is John Moore. I'm the Director
14 of Regulatory Enforcement for the Texas Workforce
15 Commission.

16 And before you this morning is a draft
17 of a letter from the Commission to be sent to several
18 district attorneys throughout the state of Texas
19 recognizing their cooperation and efforts on behalf of
20 the Commission in criminal cases referred by the
21 Commission over the last few years.

22 Since the creation of the Regulatory
23 Enforcement Division in December of 1994 -- RED --
24 staff has been working to develop further our
25 relationship with the district attorneys throughout

1 the state of Texas to assist the Commission in
2 maintaining the integrity of the unemployment and
3 workforce systems throughout the state of Texas.

4 We would recommend sending the letter to
5 the following District Attorneys: Susan Reed, who's
6 the District Attorney for Bexar County; Craig Watkins,
7 the District Attorney for Dallas County; Charles
8 Rosenthal, the District Attorney for Harris County;
9 Jeri Yenne, the District Attorney for Brazoria County;
10 John Roach, who's the District Attorney for Collin
11 County; and Kirk Sistrunk, who's the District Attorney
12 for Galveston County; and Ronald Earle, who's the
13 District Attorney for Travis County.

14 Over the last three years, these
15 District Attorneys have been in the forefront of
16 prosecuting criminal cases referred by the Commission.

17 This letter recognizes these efforts and
18 informs these District Attorneys that their assistance
19 will still be needed to protect the UI and Workforce
20 systems in the future.

21 I would request that the Commissioners
22 approve this letter, and I'm available to answer any
23 questions. I also have the originals of the letters
24 for your signatures after the meeting.

25 CHAIR RATH: I think it was very

1 appropriate to acknowledge our appreciation to the
2 DAs, and I also want to express our appreciation to
3 you and your area of what you are doing, because,
4 clearly, you make it easy for the DAs to move forward
5 when you have it all packaged and just brought to them
6 with a bow on it. So I think that's helpful.

7 My question was -- and I know you picked
8 a representative sample. I just wanted to make sure
9 that this represents the bulk of where your activity
10 is and make sure there's not any additional
11 acknowledgments that need to occur.

12 MR. MOORE: This is the bulk of our
13 activity. We have other counties who are now stepping
14 up to the plate on a similar basis. And given the
15 number of cases that we have in the pipeline to refer,
16 we may be coming back in the near future for another
17 such letter.

18 For example, Harris County, I think, is
19 our biggest -- I'm not going to say "customer" -- our
20 biggest partner who's handled the most cases, along
21 with Dallas County and Bexar County.

22 And then Travis County, for example, has
23 stepped up and has, in places, I will say, filled the
24 gap where we've had issues getting the case prosecuted
25 by a local prosecutor.

1 So we chose these counties based upon,
2 one, we wanted to go large, medium and small if we
3 could and based also on volume.

4 CHAIR RATH: Very good. Any questions?

5 COMM. LEHMAN: We talked -- in fact, you
6 and I went to the first meeting of a county or
7 district attorneys organization when this whole thing
8 was getting rolling.

9 Should that organization be aware of
10 this in some way?

11 MR. MOORE: Well, we'd be happy to send
12 them a copy of the letter. I will do that.

13 COMM. LEHMAN: I think a little subtle
14 peer pressure without being too obvious about it might
15 be useful.

16 MR. MOORE: We will do that.

17 COMM. LEHMAN: Okay. Great. Thank you.

18 CHAIR RATH: Good idea.

19 COMM. CONGLETON: No questions.

20 MR. CRUMP: Commissioners, I want to
21 brag on John and Evan and the staff.

22 I would say, probably, I've gotten half
23 a dozen calls since they have done some of the
24 conferences asking for our recipe for getting
25 cooperation with local prosecutors and how we tie it

1 up in a nice ribbon, bow, package and hand it to them,
2 but a lot of states are trying to get more cooperation
3 at the local level and are not being able to. So
4 we're being seen as the best practice.

5 MR. MOORE: I can further comment on
6 that. They are quite surprised when we go to a
7 conference and say we have referred 400 cases and have
8 had 90 or 100 dispositions during a year when they
9 will have two or three from another state.

10 So we are well ahead of almost every
11 state -- and I think well ahead of every state in the
12 country in this approach.

13 CHAIR RATH: Very good. Thank you. So
14 is there a motion to approve the letters?

15 COMM. LEHMAN: So made.

16 COMM. CONGLETON: Second.

17 CHAIR RATH: I agree. Thank you.

18 MR. MOORE: Thank you.

19 CHAIR RATH: Okay.

20

21 AGENDA ITEM NOS. 12 AND 13

22 CHAIR RATH: We'll move on to
23 legislative proposals and federal and state issues.
24 Mr. Lewis?

25 MR. LEWIS: Good morning, Chair Rath,

1 Commissioners. Jesse Lewis, External Relations. I
2 have a state update for you.

3 Last week was the deadline for House
4 bills to get out of the House. That being, there were
5 a lot of bills that didn't quite make it.

6 We are looking and facing deadlines --
7 the official deadlines being next week. But due to
8 the volume, any of the Senate bills that really aren't
9 out of Committee by the end of this week or, actually,
10 probably about the middle of this week, you can
11 probably consider dead.

12 Right now over in the Senate we have
13 House Bill 3074, which is Board contractor
14 advertising, that was kicked out of the Senate
15 Committee. It is being prepared to go to the floor.

16 We have Senate Bill 1619 that was sent
17 to the House Calendars Committee. The Career Schools
18 bill is up today in Senate Committee. House Bill
19 2120, which was the benefit wage credit bill, which
20 had several other things put on to it in the House
21 before it moved, is going to be considered today in
22 Senate Business and Commerce.

23 We're not sure how that's going to come
24 out of the committee and what it's going to look like.
25 Also, the Child Only and Exemptions bill still remain

1 in the House Human Services Committee.

2 And also of interest, Senate Bill 206,
3 which is the child care background checks for relative
4 providers, is still pending in House Human Services as
5 well.

6 We expect the last day to hear Senate
7 bills on the House Floor is Monday for a second
8 reading. So we expect to have a pretty clear picture
9 next week of what is alive and what is dead.

10 I'd be glad to answer any questions.

11 CHAIR RATH: Very good. Any questions
12 for Mr. Lewis?

13 COMM. LEHMAN: None.

14 COMM. CONGLETON: No questions.

15 CHAIR RATH: Very good. Thank you very
16 much. I appreciate all the work that you and Tom and
17 the entire GR staff is doing because you-all have
18 really worked extraordinarily hard this session.
19 Thank you.

20

21 AGENDA ITEM NOS. 14, 15, 16 AND 17

22 CHAIR RATH: I don't think we have
23 anything on appropriations or Katrina and Rita or the
24 State Data Center.

25 Mr. Temple, do you have anything?

1 MR. TEMPLE: Nothing.

2 CHAIR RATH: Commissioner?

3 COMM. LEHMAN: No, I do not.

4 CHAIR RATH: Very good.

5 COMM. CONGLETON: No.

6 CHAIR RATH: Well, with that, we'll go
7 ahead and adjourn. It is 9:37. Thank you-all very
8 much.

9 (Proceedings concluded at 9:37 a.m.)

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 C E R T I F I C A T E

2

3

4 STATE OF TEXAS)
COUNTY OF TRAVIS)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

I, William C. Beardmore, 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 22nd day of May 2007.

William C. Beardmore
Certified Shorthand Reporter
CSR No. 918 - Expires 12/31/08
Kennedy Reporting Service, Inc.
Cambridge Tower
Firm No. 276
1801 Lavaca Street, Suite 115
Austin, Texas 78701