



**MEETING OF THE
TEXAS WORKFORCE COMMISSION**

DATE

DECEMBER 20, 2022

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Tuesday, December 20, 2022

CHAIRMAN DANIEL: Good morning, everyone.
This meeting is called to order. Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: Good morning, commissioners.
Les Trobman, general counsel. We have no one signed up for general comments. We have folks who are here to speak on a particular couple of items and when we get to those items, we'll bring them on up.

CHAIRMAN DANIEL: Thank you. All right.
Let's take up Agenda Item 3. This is High-Demand, High-Wage Occupations report.

MARIANA VEGA: Good morning, Chair Daniel, Commissioner Demerson, Mr. Serna. For the record, my name is Mariana Vega. I'm the director for the Labor Market Information Department at the Texas Workforce Commission. Today for your consideration and possible action you have before you the annual report on growth occupations to the governor, lieutenant governor, and legislature, regarding projected shortages and high-wage, high-demand occupations, in high-wage, high-demand occupations. Your offices did receive a copy of the report and we briefed the offices as well. For this report we did examine over 800 jobs and we did segment them by the 13 industry sectors as specified in Texas Labor Code 302, and we did categorize the high-wage, high-demand jobs as those occupations that have an

1 annual salary or an annual median salary that is estimated to be
2 more than the statewide median salary, which is currently for
3 year 2021 \$39,000, \$39,030 a year. And also, with an expected
4 employment change greater or equal to 400 jobs. To produce this
5 report we did use various BLS datasets that include the
6 Quarterly Census of Employment and Wages as well as Current
7 Employment Estimates to show how employment has changed over
8 time as well and up to the current employment situation. We also
9 looked at or brought in long-term projections for the period of
10 2020 to 2030, which is a 10-year period to provide a list of
11 occupations expected to be most in demand for that time period.
12 Additionally, for each of these occupations we did provide BLS
13 education assignments as well as STEM and apprenticeship
14 designations and also top skills and certifications that are
15 currently being requested by employers. New to this year, we did
16 include location quotient to provide insight into the
17 occupational concentration for each of those occupations. Today,
18 we are asking for your approval of the reports and also
19 permission to make minor nonsubstantive changes as we prepare
20 the final layout that we will publish on our website. That does
21 conclude my remarks. I do thank you for your consideration and
22 if you have any questions, I'll be more than happy to answer
23 those.

24 CHAIRMAN DANIEL: Any comments or questions?
25

1 COMMISSIONER DEMERSON: Good report. I love
2 the fact that the location quotient that you guys used. That's a
3 neat tool. I encourage you to share this report if approved with
4 the industry associations as well.

5 MARIANA VEGA: Thank you.

6 CHAIRMAN DANIEL: Let me compliment you on
7 the report. I know it's an annual report, but you continue to
8 refine this in ways that I think that make it increasingly
9 useful, I think, to employers that TWC interacts with in
10 addition to people who may want to be working in these fields,
11 particularly students who are preparing for those fields. I
12 particularly appreciate what you've done in going in there and
13 designating things that can be done through apprenticeships,
14 through internships, through other kind of alternative forms of
15 education, and I think as we continue to strengthen also the
16 different types of certification that employers use, and I think
17 that theme moving forward will continue to strengthen the
18 report. I also appreciate particularly the way you've delineated
19 degrees that might be required versus middle skills type jobs
20 that might be appropriate. I think we give people lots of paths
21 into what appears, I mean just on the surface and if you dig
22 into the numbers, you'll find that it's even more so to be some
23 real opportunities for future employment. So, I mean it's a good
24 report. It's one of those reports that we could just simply
25 churn out a list of numbers, but I think we've chosen here to

1 prepare something that I think is very useful and I hope that
2 community colleges, high school teachers, even university
3 faculty will use this in helping them align the things that
4 they're doing as we look toward the future workforce.

5 MARIANA VEGA: Thank you very much. I'm
6 sorry.

7 COMMISSIONER DEMERSON: Go ahead.

8 MARIANA VEGA: I was just going to thank you
9 for your comments. I will pass those on to my staff. A special
10 thanks to the economic analysis unit in the Labor Market
11 Information Department. They did prepare this report, so very
12 appreciative of them.

13 COMMISSIONER DEMERSON: Thank you. I'm going
14 to go ahead and move on this motion. I move that we approve the
15 2022 Report on Texas Growth Occupations for submission to the
16 governor, lieutenant governor, and legislature, as recommended
17 today by staff.

18 CHAIRMAN DANIEL: I'm going to second it.
19 It's approved. Thank you.

20 MARIANA VEGA: Thank you.

21 CHAIRMAN DANIEL: This is Agenda Item 4.
22 This is final rules for Chapter 815, TAC Chapter 815.

23 CHUCK ROSS: Good morning, commissioners,
24 Mr. Serna. For the record, I'm Chuck Ross, director of TWC's
25 Fraud Deterrence and Compliance Monitoring Division. Before you

1 today are final rule amendments to Chapter 815, Unemployment
2 Insurance, related to collection of UI debt through notices of
3 assessment. In 2021, the 87th Texas Legislature enacted Senate
4 Bill 695, a commissioned legislative initiative which provides
5 TWC greater flexibility to serve notices of assessment including
6 service by personal delivery or mail, and services through
7 substituted service. These rules implement and interpret the
8 authority that the legislature granted TWC in this regard. The
9 proposed rules were published in the Texas Register for a 30-day
10 public comment period, which ended on September 12, 2022. One
11 commenter submitted comments. Staff carefully considered those
12 comments and declined to make any changes to the proposed rules
13 as published in the Texas Register. Additionally, the United
14 States Department of Labor provided notice to the agency that
15 the rules conform to federal unemployment compensation law. This
16 morning, staff are recommending final adoption of these Chapter
17 815 amendments. If adopted, staff are also requesting approval
18 to make any minor nonsubstantive changes to the rules document
19 to comport with publication requirements of the Texas Register.
20 I'm available to answer any questions you may have.

21 CHAIRMAN DANIEL: All right. You got any
22 pressing questions?

23 COMMISSIONER DEMERSON: No, none.

24 CHAIRMAN DANIEL: I think we have a public
25 commenter here if I'm not mistaken.

1 MR. TROBMAN: Yes, sir. We do. Mr. Mauch. If
2 you go ahead and introduce yourself and begin.

3 DAVE MAUCH: Thank you. My name's Dave
4 Mauch. I'm an attorney with Texas Rio Grande Legal Aid. I want
5 to talk about the impact these regulations will have on poor and
6 working Texans. That starts with an understanding of the large
7 amount of erroneous and unlawful overpayments within the
8 unemployment system today. During the pandemic, when charged
9 with administering the alphabet soup of new unemployment
10 programs, each with their own administrative and bureaucratic
11 hurdles for claimants, unfortunately, not every claimant was
12 given a fair shot to comply with those administrative
13 requirements. Our agency has handled hundreds of cases over the
14 past couple of years, and one thing we see over and over and
15 over again, is that claimants weren't aware of administrative
16 requirements for pandemic unemployment programs, nor were they
17 given adequate opportunity by the TWC to meet those
18 requirements. Notices sent to claimants did not include
19 information about what they needed to do on their claims to show
20 that they were eligible, how to get that information to the TWC,
21 and what the consequences were for failing to meet those
22 administrative hurdles. Furthermore, when claimants got notices
23 of overpayments, those notices by and large did not tell
24 claimants why they had overpayments, or what they could do to
25 clear those overpayments out. Thus, we worry that any additional

1 aggressive collection actions undertaken by the agency would
2 exacerbate existing due process issues within the unemployment
3 system. Second, I want to talk about the bevy of due process
4 concerns raised by these proposed regulations. These are
5 supposed to be rules that give the agency and people like me who
6 advise unemployment claimants some guidance on what the rules
7 are for determining service of process for these notices of
8 assessment. They are anything but. The rules are broad. They are
9 vague, and they give TWC officials a blank check to serve
10 process in any manner that they see fit, unfortunately. The real
11 concern here is that there is no honoring this except for in the
12 breach. If someone is served allegedly with a notice of
13 assessment in a way that doesn't give them adequate notice, the
14 reality is that they have no way to challenge it until money has
15 already been taken out of their bank account through the
16 assessment. Third, and finally, I would urge the commission and
17 the board to consider the real human impact of these regulations
18 on the working poor. Two weeks ago, at the agency's board
19 meeting, you all discussed a policy proposal regarding potential
20 use of bank levies to enforce overpayments related to fraud. The
21 agency and the commissioners were unanimous in agreeing that any
22 such universe in which a bank levy existed as a method of
23 enforcement needed also to contain some safeguards to ensure
24 that working Texans did not have so much money taken away from
25 these bank levies that they were unable to pay their rent, or to

1 provide food for their families. The assessment regulations that
2 the agency proposes today contain no such safeguards, and as
3 someone who has personally worked with many, many unemployment
4 claimants over the past couple of years, I've seen more and more
5 people in more and more precarious situations, and
6 unfortunately, the regulations as worded doubtless will make
7 more people homeless and direct more people to the streets. I
8 thank the agency for the ability to comment. I would urge the
9 commissioners to engage with the written comments, which are
10 more in-depth than what I was able to provide today. I'm happy
11 to answer any questions that anyone has. Thank you.

12 CHAIRMAN DANIEL: Thank you.

13 COMMISSIONER DEMERSON: Chuck, this is the
14 very last, last resort if I'm not mistaken. Correct?

15 CHUCK ROSS: Yes, sir. Correct.

16 COMMISSIONER DEMERSON: Thank you.

17 CHAIRMAN DANIEL: I have no further
18 questions. Is there a motion?

19 COMMISSIONER DEMERSON: Mr. Chairman, I move
20 that we approve the adoption of amendments to 40 Texas
21 Administrative Code, Chapter 815, Subchapter H, Collection
22 Action, as recommended today by staff.

23 CHAIRMAN DANIEL: I second the motion, and
24 it's approved.

25

1 CHUCK ROSS: Thank you, commissioners. Have
2 a good holiday.

3 CHAIRMAN DANIEL: Thank you. This is Agenda
4 Item 5, Capital Exceptional Item and Rider Request.

5 CHRIS NELSON: Good morning, Chairman
6 Daniel, Commissioner Demerson, Mr. Serna. For the record, Chris
7 Nelson, chief financial officer. On August 23rd, the commission
8 approved TWC's Legislative Appropriations Request for the 88th
9 Legislative Session, including capital projects and rider
10 revisions. Since then, TWC has applied for a preschool
11 development grant or PDG. TWC expects to be notified soon
12 whether it will be awarded this grant. In the event TWC is
13 awarded the PDG grant, TWC will need capital budget authority to
14 develop an eligibility screener application that will be housed
15 on TWC's early childhood website. The capital budget authority
16 needed would be \$5,000,000. TWC would also need a revision to
17 its rider authorizing travel reimbursements for advisory
18 committees. In its PDG grant application, TWC proposes to
19 reimburse up to \$15,000 of travel expenses for the Texas Early
20 Learning Council to attend four in-person meetings to discuss
21 and develop the Texas Early Learning Strategic Plan. At this
22 time, I'm seeking commission approval to submit these additions
23 to the Legislative Budget Board in hopes that they may be added
24 to items previously submitted in our LAR and incorporated into

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1 the General Appropriations Act. That concludes my comments. I
2 would be happy to answer any questions.

3 CHAIRMAN DANIEL: Any comments or questions?

4 COMMISSIONER DEMERSON: None for me.

5 CHAIRMAN DANIEL: Is there a motion?

6 COMMISSIONER DEMERSON: I move that we
7 approve the additional capital exceptional item in the rider
8 request as set forth in the commission meeting materials and
9 presented here today.

10 CHAIRMAN DANIEL: Second the motion. It's
11 approved.

12 CHRIS NELSON: Thank you.

13 CHAIRMAN DANIEL: Thank you. This is Agenda
14 Item 6, Work-based Learning Strategic Framework.

15 KERRY BALLAST: Good morning, Chairman
16 Daniel, Commissioner Demerson, and Mr. Serna. For the record,
17 Kerry Ballast, Workforce Development Division. House Bill 1247
18 of the 87th Texas Legislature Regular Session, requires Texas
19 Workforce Commission, Texas Education Agency, and the Texas
20 Higher Ed Coordinating Board, acting as the Tri-Agency to
21 develop and report on a work-based learning strategic framework.
22 Today, staff seek commission approval of their report for
23 submission to the Texas Legislature by December 31 of this year.
24 Before submitting, staff will apply minor, nonsubstantive edits
25 to ensure a clean grammatically correct report.

1 CHAIRMAN DANIEL: Any comments or questions?

2 COMMISSIONER DEMERSON: None here.

3 CHAIRMAN DANIEL: I read this report in its
4 entirety. I've got to say it is a standard issue, dry,
5 government report. But buried in this report are a number of
6 nuggets that really lay out a clear path for how state agencies
7 and their corresponding constituencies can really, I think, find
8 some expansion for work-based learning beyond some things that
9 we're already doing, and I think, fairly well. So I would
10 encourage you. I think this report is about to get passed out of
11 here so it can move on to the people that need to get it, but I
12 would encourage you to get with the communications team and pull
13 out some of the key elements that I think really present a clear
14 path and have those available for both the Tri-Agency partners
15 and TWC to use when we're talking to people about work-based
16 learning and some things like that. I think there's some real
17 gems in there. I think you guys really uncovered some good
18 stuff, and I want to make sure that it doesn't just sit in this
19 report on the shelf that it ends up on once everybody's had a
20 chance to read it. I want to kind of turn some things
21 actionable. It's good stuff. I just, we have to free it from the
22 45 pages that it's sitting in so that we can really get the one
23 page of really actionable items that people can get behind and
24 do something with that we're able to get that out then.

25 KERRY BALLAST: I like that. Thank you, sir.

1 CHAIRMAN DANIEL: Is there a motion?

2 COMMISSIONER DEMERSON: Chairman, I move
3 that we approve the Work-Based Strategic Framework for
4 submission to the Texas Legislature as recommended today by
5 staff.

6 CHAIRMAN DANIEL: I second the motion, and
7 it passes.

8 KERRY BALLAST: Thank you.

9 CHAIRMAN DANIEL: Thank you. We're going to
10 take a brief recess right here. We've got a number of public
11 commenters coming up for the next one. I want to make sure that
12 the ones that are on the line are on the line and everybody's
13 ready to go. So we'll take a real short recess here. Don't go
14 anywhere. We'll be right back. All right. Let's come back into
15 session. We'll take up Agenda Item 7, Strategic Plan for the
16 Child Care Workforce.

17 ALLISON WILSON: Good morning, chairman,
18 Commissioner Demerson, and Mr. Serna. For the record, Allison
19 Wilson with the Child Care and Early Learning Division. House
20 Bill 619 passed during the 87th Legislature Regular Session,
21 amended the Labor Code to require TWC to prepare a Child Care
22 Workforce Strategic Plan to improve the quality of the infant,
23 toddler, preschool, and school age child care workforce in
24 Texas, and to update the strategic plan every three years. TWC
25 must submit the plan to the governor, the lieutenant governor,

1 and speaker of the House of Representatives no later than
2 December 31st. To support the development of the plan, HB619
3 requires the collection of demographic and workforce data from a
4 representative sample of child care facilities in the state. TWC
5 partnered with the LBJ School and the PN-3 Policy Impact Center
6 to conduct a survey of child care center directors and home-
7 based directors as well. They developed a statistically valid
8 sample from more than 3,000 licensed and regulated child care
9 programs from across the state, and over 750 responded to that
10 survey. House Bill 619 also requires that a workgroup composed
11 of child care providers, child care workers, and community
12 stakeholders assist in the development of the plan. UT and the
13 PN-3 Center also facilitated meetings of the workgroup to gather
14 feedback on the data collected and inform the development of
15 recommendations. The plan before you today includes goals and
16 action items across three different goal areas. These goal areas
17 reflect staff, reflect areas staff identified as actionable by
18 TWC. The first one is to support the current child care
19 workforce. The second is to support a pipeline of qualified
20 child care workers, and the third is to examine opportunities to
21 improve administration and oversight of the Child Care Services
22 program. I would like to highlight a couple of aspects of the
23 plan. Firstly, I wanted to note that many of the action items
24 identified in the plan anticipate Texas being awarded the
25 Federal Preschool Development Grant, Birth to Five grant. This

1 funding will support multiple collaborative interagency efforts
2 including many designed to positively impact the quality of the
3 child care workforce in Texas. We expect to be notified on that
4 grant this week or next. Additionally, the plan has many actions
5 tied to the Texas Early Childhood Professional Development
6 System, and I would like to highlight that the commission has
7 recently approved initiatives to further support and grow the
8 improvement of TECPDS. PDG funds and action items identified in
9 the strategic plan will also lend cross-system support to help
10 ensure TECPDS continues to be useful and relevant. Lastly, I
11 want to acknowledge the time, energy, and dedication that our
12 House Bill 619 workgroup members contributed to this process.
13 Their high level of engagement and thoughtful contributions are
14 much appreciated. In closing, staff seeks direction on approval
15 of the Child Care Workforce Strategic Plan for submission to the
16 governor, lieutenant governor, and speaker of the House,
17 including authority to make nonsubstantive technical revisions
18 to the plan prior to submission.

19 CHAIRMAN DANIEL: All right. Thank you.
20 We'll come back with comments and questions, but we have a
21 number of public commenters. I'd like to get everything they
22 have to say put on the record before we take this up completely.

23 MR. TROBMAN: Commissioners, we have several
24 folks in attendance and also in attendance virtually. We'll take
25 those who are here in the room first. When I call your name, if

1 you can come on up and introduce yourself and who you represent,
2 and go ahead and proceed. Melanie Rubin.

3 MELANIE RUBIN: Good morning. I'm Melanie
4 Rubin, director of the North Texas Early Education Alliance. I
5 want to thank you, Chairman Daniel, Commissioner Demerson, and
6 Mr. Serna, for all you and the Child Care & Early Learning
7 Division has done and is doing. The initiatives and efforts that
8 the Early Learning Division have implemented have been timely,
9 tactical, and right on target. The child care system,
10 particularly its most essential component, the child care
11 workforce, is literally in crisis. Due to low wages and
12 virtually no benefits, child care programs cannot find, recruit,
13 or retain qualified staff. Providers are maxed out, parents are
14 maxed out, and employers are losing their workforce because
15 their employees can't find child care. Even those who do find
16 child care are struggling with the instability of the current
17 system. In fact, an overwhelming 86 percent of primary care
18 givers said problems with child care hurt their efforts or time
19 commitments at work. For employers, insufficient child care
20 results in reductions in revenue and increased hiring costs. The
21 Texas child care crisis for infants and toddlers alone, for
22 example, is costing Texas 4.9 billion dollars annually in lost
23 earnings, productivity, and revenue. HB619 was passed by the
24 legislature in recognition of the dire staffing challenges and
25 the necessity of building a strong child care workforce to

1 support working parents. The mandated strategic plan was
2 intended to address the market failure of the child care system
3 and the resulting child care workforce crisis by creating a
4 sustainable plan with meaningful strategies to ensure the child
5 care workforce could be stabilized and well supported. The
6 stakeholder recommendations presented to TWC in the report
7 prepared by the Prenatal-to-3 Policy Impact Center recognized
8 the value of Texas early learning teachers, the need to
9 stabilize the industry, and the essential services they provide
10 to our workforce and to our children. The proposed child care
11 workforce strategic plan developed by TWC in response to these
12 recommendations outlined in the stakeholder report, offers good
13 insight into the current realities and does acknowledge the need
14 for additional resources. However, it does not adequately align
15 with the intentions of HB619, nor will it fully accomplish the
16 goals of the bill. HB619 mandated that the plan include a
17 variety of recommendations which by their nature would require
18 multiple state agencies and additional resources for the
19 legislature to implement. The limited scope of TWC's proposed
20 strategic plan only accounts for what the agency believes it has
21 the authority and resources to implement, and does not address
22 all the charges in the bill. It is not TWC's responsibility to
23 implement all components of the statewide plan, but because of
24 TWC's unique expertise in employment and employment supports,
25 specifically child care, we do believe and hope that it's TWC's

1 responsibility to make more comprehensive recommendations
2 contingent on the state acquiring additional funds and other
3 entities' involvement. We respectfully ask the agency to seize
4 the charge given to it by the legislature through HB619, and
5 incorporate recommendations that will more meaningfully address
6 the critical and urgent needs of the child care system. We hope
7 that the agency will include more of the stakeholder
8 recommendations in the strategic plan, especially those related
9 to fixing the flawed financing mechanism of our child care
10 system, and those related to significantly increasing teacher
11 compensation. Putting forth a stronger comprehensive and
12 forward-thinking strategic plan will meet both the mandate of
13 HB619 and will adhere to TWC's mission to promote and support a
14 workforce system that creates value and offers employers,
15 families, individuals, and communities opportunity to achieve
16 and sustain economic prosperity. Thank you.

17 MR. TROBMAN: Kim Kofron.

18 KIM KOFRON: Good morning. Thank you,
19 commissioner, excuse me. Thank you, Chairman Daniel and
20 Commissioner Demerson, and Mr. Serna for having us here this
21 morning and for your continued work around high-quality child
22 care and working families. My name is Kim Kofron. I am currently
23 the senior director of education for Children at Risk, and had
24 the privilege of being a member of this HB619 workgroup. We want
25 to thank you and the entire Child Care & Early Learning staff

1 for the development of the strategic plan. And of all the state
2 agencies that touch early childhood, Texas Workforce Commission
3 is one of the agencies that best understands the breadth and the
4 scope of the complex issues that face the child care businesses
5 and the families and employers who depend on this vital
6 industry. As you know, the child care industry was at a breaking
7 point well before the pandemic. The strategic plan points out
8 how families can't afford to pay any more and educators can't
9 afford to make any less, and while the strategic plan addresses
10 many of the requirements for HB619, there are several
11 recommendations that the workgroup made that are not included in
12 the plan, as well as aspects of the bill, the charge of the bill
13 that was currently, the plan does not address. HB619 asked for
14 recommendations for increasing compensation and reducing
15 turnover. The strategic plan does name two programs that are
16 currently happening to support compensation and retention at
17 local levels, however, action item 1.2.1 of the strategic plan
18 only states it will identify and provide information on
19 Workforce Board initiatives to support the early childhood
20 education workforce, including those providing wage supports. It
21 does not say to require or even consider or recommend that
22 Workforce Boards use their dollars to support compensation or
23 retention. Nor is there a request for additional funding to
24 implement compensation or retention efforts. Without a statewide
25 program, we will continue to see disparities and inconsistencies

1 across the state, therefore, increasing the lack of affordable
2 quality child care choices for families. We applaud the
3 recommendations around building a pipeline for early child
4 educators through high school programs and CDA programs,
5 however, if there is not a career with a self-sustaining wage at
6 the end of that pipeline, we are building a pipeline to nowhere.
7 We appreciate that TWC is well aware of this. In fact, the
8 strategic plan points out that school districts consider
9 expected compensation when selecting which programs to offer as
10 part of their CTE programs, and students use compensation to
11 choose their pathways. We truly want a pipeline. We as a state
12 must directly face the compensation issues. Finally, with regard
13 to the charge laid out of HB619 asking for recommendations for
14 eliminating pay disparities in the child care workforce, there
15 are no specific recommendations listed in the workplan. We would
16 like to consider, to request the commissioner reconsider
17 including the workgroup recommendations to address this issue.
18 The workgroup recommends providing retention bonuses directly to
19 educators to support this charge. The child care industry is
20 functioning in a broken market, one that is failing families,
21 children, early childhood workforce, and the entire economy. If
22 we don't invest in our educators now, not only will the
23 providers you will hear from today suffer, the entire economy
24 will suffer as well. Thank you for your time.

25

MR. TROBMAN: Melissa Hoisington.

1 MELISSA HOISINGTON: Good morning. My name
2 is Melissa Hoisington, and I've been working in the child care
3 industry since 2001. I've owned my own Primrose School in the
4 DFW area for 10 years. I've served on the Texas Early Learning
5 Council since 2019, and I was a participant in the strategic
6 plan workgroup. Four years ago, I was burned out and ready to
7 sell my school to someone who had more to give back than I
8 thought I had left. Financially, we were struggling to make ends
9 meet with a 20-year-old building that was in dire need of a
10 facelift, tuition rates set as high as we could reasonably go,
11 teacher pay rates stretched as far as our budget could take us
12 with no reasonable opportunity to acquire additional capital to
13 comfortably operate and not be so cash strapped. I will apply
14 for my last Texas Workforce check here in a couple of months and
15 I am truly terrified about what's ahead when that money has been
16 depleted. The plan that was published on Friday will not
17 adequately meet the workforce needs of the industry, and the
18 effects will not easily be undone for years to come. We must
19 implement a meaningful strategic plan to address the workforce
20 issues we are all facing. The first five years are the most
21 critical in a child's development and could literally save
22 society billions upon billions of dollars if we invested more
23 into these children when our dollars would go the furthest.
24 Earlier this year, my school had to scramble to implement
25 aggressive and historical tuition increases while using the bulk

1 of our state grants to increase the wages of our staff to stay
2 competitive. Our workforce pool competes with businesses like
3 Chick-fil-A, Amazon, Buc-ee's, Target, and the like. The
4 difference in an employee that could work for my school or for
5 Amazon is that we expect much more from them and their roles are
6 critical to the safety and welfare of the children entrusted to
7 our care. When those other businesses cannot stay fully staffed,
8 it is not that noticeable to the general public. When we cannot
9 stay fully staffed, we cannot legally or safely operate in the
10 way our families need and deserve. This was a dire situation and
11 without the assistance of the state, many of us would not have
12 made it. Unless I want to cut staff wages across the board by
13 the summer, I will have to raise my tuition rates at least eight
14 to 10 percent in every classroom just to make ends meet and
15 sustain those wage increases from earlier this year. The
16 families at my school near Denton are hard-working middle-class
17 Texans who earn too much for child care assistance, but can only
18 devote so much of their modest income to child care costs. They
19 will have two options. One parent leaves the workforce as we've
20 already seen happen during the pandemic, or they look for lower
21 quality and often unregulated care options. Competitive staff
22 pay isn't the only issue we're facing. Many of us are losing
23 students to public pre-K programs that are desperately working
24 to figure out a solution to that problem that is taking away any
25 financial cushion we may have had in the past to weather a storm

1 like this. I am attempting to offer as many benefits as I can
2 but those will also have to be reevaluated once the money runs
3 out. I hope that TWC will broaden the scope of the strategic
4 plan in ways that will actually stabilize the workforce and keep
5 the economy strong. In two days, I will be signing my next 10-
6 year franchise agreement with Primrose because I'm not done
7 ensuring that I've left the child care industry in Texas better
8 than I found it 20 years ago. Thank you for your time.

9 MR. TROBMAN: Cody Summerville.

10 CODY SUMMERVILLE: Good morning, Chairman
11 Daniel, Commissioner Demerson, and Mr. Serna. My name is Cody
12 Summerville. I'm the executive director of the Texas Association
13 for the Education of Young Children. We're the state's largest
14 membership association for early childhood professionals with
15 nearly 3,000 members across the state. I had the pleasure of
16 serving on the stakeholder workgroup as part of the strategic
17 plan development. HB619 presented this agency and our entire
18 state with an unprecedented opportunity to develop a plan to
19 improve the quality of the child care workforce. It explicitly
20 asked for recommendations to tackle many of the underlying
21 challenges for producing and maintaining a quality child care
22 workforce including compensation and pay disparities. While the
23 action items included in this strategic plan are needed,
24 collectively they are not sufficient to tackle compensation and
25 pay disparities, and until we can sufficiently address these

1 issues, the child care workforce will continue to be
2 undertrained and undereducated, and child care programs will
3 continue to struggle to recruit and retain qualified staff. With
4 an unstable child care workforce, the child care industry will
5 not remain viable. We respectfully ask the agency to include
6 stakeholder recommendations regarding direct compensation
7 supports for the child care workforce and increasing state
8 investments in our child care system. These stakeholder
9 recommendations combined with the action items included in the
10 proposed strategic plan would collectively represent what is
11 necessary to improve the quality of the child care workforce.
12 Unfortunately the proposed strategic plan relies solely on
13 federal funding through CCDBG allocations and anticipated
14 Preschool Development Grant Birth through Five funds. The
15 strategic plan could include necessary recommendations for
16 additional state investments which the legislature could act
17 upon in their upcoming session. By not including these actions
18 items which would require new state investments, the agency is
19 sending a mixed signal to the legislature that current funding
20 is adequate enough to address the quality of the child care
21 workforce. However, throughout the strategic plan there are
22 hints that the Child Care Services program is not large enough
23 to meaningfully make a difference on the entire child care
24 industry. Yet the plan does not clearly detail the level of
25 funding that would be needed in order to make a meaningful

1 difference. Data from a recent survey highlights that 50 percent
2 of child care providers in Texas will have to raise tuition, and
3 50 percent of child care providers will have to cut wages once
4 the Child Care Relief Funds run out. As the strategic plan
5 points out, families cannot afford to pay more in tuition, and
6 the workforce in child care cannot afford to be paid any less.
7 As a state we must plan to sufficiently address the needs of our
8 child care workforce before the Child Care Relief Funds run out
9 or we will accelerate the tailspin that the child care industry
10 and workforce has been in long before the pandemic and
11 jeopardize our state's economy. Thank you.

12 MR. TROBMAN: OK, for virtual commenters,
13 when I call your name if you could go ahead and unmute yourself,
14 introduce your name and who you represent for the record and
15 proceed. Roslyn Chaney. Ms. Chaney? OK, Bethany Edwards. Ms.
16 Edwards? Tobitha Holmes. Ms. Holmes? Tim Kaminski.

17 BETHANY EDWARDS: Hi, this Bethany Edwards.
18 Can you hear me?

19 MR. TROBMAN: Yes, Ms. Edwards, go ahead.

20 BETHANY EDWARDS: OK, great. My name is
21 Bethany Edwards, and I represent the Early Learning Alliance, a
22 coalition of more than 50 organizations in Tarrant County that
23 work together toward a common goal of our county being a place
24 where every child has the foundation to succeed in school and in
25 life. Our alliance is comprised of community-based early care

1 providers, faith-based organizations, educators, school district
2 administrators, training organizations, nonprofit service
3 providers, health and mental health providers, private
4 foundations, our local government officials and more. As
5 mentioned today, House Bill 619 of the 87th session was intended
6 to address the market failure of the child care system and the
7 resulting child care workforce crisis. Like others who testified
8 today, I had the honor of participating in the stakeholder
9 workgroup that provided robust recommendations to TWC regarding
10 the strategic plan. Our cross-sector alliance here in Tarrant
11 County was encouraged to know that the legislature and TWC were
12 taking steps to address the broken child care system,
13 particularly the severe staffing shortages, and we have been
14 eagerly awaiting TWC's recommendations. Like others testifying
15 today, we encourage TWC to broaden the scope and recommendations
16 proposed to meet the legislative intent of HB619. Research,
17 history, personal experience, and fundamental economics have
18 taught us that a strategic plan void of strategies aimed at
19 significantly increasing early educator compensation will not be
20 sufficient to meet its goal of improving the quality of the
21 child care workforce in Texas. Thank you for allowing me to
22 speak today.

23 MR. TROBMAN: Ms. Holmes? Mr. Kaminski? Go
24 ahead.

25

1 TOBITHA HOLMES: Good morning. Can you hear
2 me?

3 MR. TROBMAN: Yes, sir.

4 TOBITHA HOLMES: Hi, this is-

5 MR. TROBMAN: Oh, Ms. Holmes.

6 TOBITHA HOLMES: Mrs. Holmes, yes. Thank
7 you, Chairman Daniel, Commissioner Demerson. Thank you also to
8 Mr. Serna, for your commitment to your service and for all that
9 you do. I am Mrs. Holmes. I am the owner and director of
10 W.I.S.E. Academy for 26 years and the best of the Southwest in
11 Cedar Hill, Texas. I currently serve as the president for Early
12 Education Leaders Coalition and I'm also a part of the advisory
13 board for Arlington child care regulation. TWC's support through
14 the Early Learning Division has literally been a lifeline for my
15 program as well as many other programs in our coalition and
16 throughout the state. I want to impress upon you firsthand
17 experience of what's going on out there, and we are boots on the
18 ground. I was also a member of the workgroup for HB619. I've
19 seen so many hard times throughout the last 26 years but the
20 challenges that we are now facing are truly unprecedented.
21 Within the industry well known for its low pay and lack of
22 benefits, it has always been hard to attract teachers but
23 somehow, we are able to find those who are truly dedicated to
24 the industry of having pure love and dedication to young
25 children. However, once we receive those teachers and they

1 understand what is expected of them within the classroom for the
2 pay that they're receiving, it's a little difficult to retain
3 them because they end up leaving and going to Walmart or Buc-
4 ee's or even the district. Because of this, some of our
5 classrooms are closed in our facilities and our enrollments are
6 down, and I hear this story well across the state as I talk to
7 other providers. The stakeholder report reflected research and
8 strategic thinking, and gave me hope as does the narrative of
9 Texas workforce proposed child care workforce strategy plan.
10 However, the recommendations do fall short of what is needed and
11 will not have the intended outcome of House Bill 619. Please do
12 not miss the opportunity to make sure we can continue to support
13 all of our parents who want and need to work. Please include the
14 recommendations that would address our workforce crisis and
15 engage other resources, agencies, and partners to retain a
16 broken financial model. Finally, we remain committed to our
17 children, our families, and our neighborhood employees, and to
18 the state, and hope that we can all work together to ensure the
19 child care system that works so that our families can continue
20 to work. Thank you so much.

21 MR. TROBMAN: Thanks, Ms. Holmes. Ms.
22 McDonald? Delia Merritt?

23 JERLETHA MCDONALD: Hello.

24 MR. TROBMAN: Ms. McDonald, go ahead.

25

1 JERLETHA MCDONALD: Hello. Thank you,
2 commissioners, for having me here today. My name is Jerletha
3 McDonald. I'm a national family child care advocate and business
4 consultant, and I'm also a former family child care professional
5 myself. I'm the director, the executive director of ADFW Family
6 Child Care Network, and I also participate on the National
7 Family Child Care Panel with the Office of Child Care. I am here
8 to provide comment on HBC19, 87th session, mandated that TWC
9 prepare a strategic plan for improving the quality of the
10 infant, toddler, preschool, school age, and family child care
11 program. I also participated on the committee as well. The
12 strategic plan must address the flawed financial mechanisms of
13 the child care system and those related specifically to
14 strengthening teacher compensation and also business supports.
15 As you know, family child care providers are small business
16 owners, and we stood in the gap during COVID. Our doors remained
17 open. We provide intimate care for families and also, we also
18 provide care for nontraditional hours meaning the essential
19 workers that were working during COVID, we made sure that they
20 were taken care of. I'm here to say that I do appreciate the
21 strategic plan, but we still need to make sure it's strengthened
22 to provide direct compensation supports, of small business
23 development supports for the not just the family child care
24 providers who are operating in the state of Texas but for all
25 child care operations in educational supports so please, take

1 into consideration what I myself and my colleagues are asking
2 for for this strategic plan. Thank you for having me today.

3 MR. TROBMAN: Thank you. Delia Merritt?

4 DELIA MERRITT: Good morning.

5 MR. TROBMAN: Good morning.

6 DELIA MERRITT: My name is Delia Merritt and
7 I'm a child care director in Garland, Texas, that has been in
8 business for over 45 years. I have been in this field for over
9 42 years myself and have seen many changes in the industry. I
10 want to thank you for the time today and what Texas Workforce
11 has already done for our industry. As the vice president of
12 Early Educators Leaders Coalition, we come together as leaders
13 to help centers become higher quality. Beginning in this field
14 for this many years, I have seen the workforce dwindle to a
15 point of centers having to close because of not being able to
16 find people who want to teach the youngest generation of our
17 future leaders. Quality child care is important for the future
18 of our country. Finding people within the workforce who want to
19 make a difference is very difficult. House Bill 619 is supposed
20 to help those of us in this industry provide quality care. This
21 can only happen if we can hire and retain quality staff. As a
22 director, I don't need help with tracking the training. I need
23 help with being able to pay the hardest working people in Texas
24 what they deserve. As an adjunct professor at Collin College in
25 Plano and Dallas College, I have seen a huge decrease in the

1 amount of people taking early childhood education courses over
2 the last 10 years. Classes are being canceled because there are
3 not enough students which causes students who are taking classes
4 not to be able to finish their degrees in a timely manner. If we
5 could help supplement paying our teachers who get a higher
6 education, I feel this would help retain teachers in the early
7 childhood field. When I talk to my 28 teachers about college
8 education, they do not seem to feel that it is necessary to
9 spend the amount of time it takes to get an education for the
10 compensation that they will receive. When child care centers
11 cannot retain quality teachers, parents end up not being able to
12 keep jobs because of the lack of centers that would put their
13 children in. I know how many directors have centers and
14 classrooms that are empty because they cannot hire teachers. At
15 my center we literally get four to five calls a day with parents
16 crying, needing quality child care and not being able to find a
17 center they would put their child in. Again, I appreciate the
18 work that you've already done for our industry, but I hope that
19 as you build the strategies for House Bill 619 that you will
20 take a hard look at how the workforce is the key, how we need
21 help in providing quality care for our future. There are other
22 directors speaking today who I personally know and who have sat
23 at tables along with me with people in Texas Workforce and in
24 the state legislation on these topics. Please use our knowledge
25 to help with what the need is to be able to provide quality

1 child care, to build a workforce that is professional and
2 recognized as important. Thank you for your time.

3 MR. TROBMAN: Thank you. We're having some-
4 working on some technical difficulties so I'm going to go back
5 to some other names previously mentioned. Ms. Chaney?

6 UNIDENTIFIED: [inaudible] she has an
7 appointment.

8 MR. TROBMAN: We can hear you. How about Ms.
9 Holmes? I'm sorry about that. Mr. Kaminski?

10 TIM KAMINSKI: Hello?

11 MR. TROBMAN: Good morning.

12 TIM KAMINSKI: Good morning. Sorry about
13 that. We're having trouble locating the mic. My name is Tim
14 Kaminski. I'm the director and owner of the Gingerbread Kids
15 Academy in Fort Bend County. Our family has owned and operated
16 the Gingerbread early learning programs in Fort Bend County for
17 over 40 years, and I recently served on the HB619 workgroup
18 representing owners and operators in the ECE field in Texas.
19 During COVID more than half of the child care centers in the
20 state of Texas ended up closing, and although many of those have
21 reopened, as you've heard from many of the speakers today, most
22 of us are operating at less than our regular capacity. Prior to
23 the pandemic we served close to 500 families between seven
24 locations, and we had around 48 employees. Two and a half years
25 later we are only able to serve around 300 families and we have

1 34 employees with 13 openings that we have been trying to fill
2 since July. Without the TWC stabilization grants, we would not
3 still be open today so I'd like to thank you on behalf of all of
4 the providers that have received grants this past year. In the
5 HB619 workgroup we made recommendations for wage supplements and
6 other funding initiatives that would help us as employers be
7 able to compete with other businesses that are offering higher
8 wages. However, these recommendations did not make it into the
9 Child Care Workforce Strategy Plan. Although there are some
10 commendable strategies listed in the plan, none of those
11 recommendations provide me as an employer with a way to pay my
12 employees higher wages. Even making funding increases to the
13 broken subsidy program will not have an impact on improving
14 wages for ECE teachers. In order to stabilize the ECE workforce
15 and improve the quality of the ECE workforce, first there must
16 be a way for me to pay higher wages without having to increase
17 my tuition rates. The strategic plan as it is currently written
18 does not address that issue which means the intent behind HB619
19 has not been met, and a revised strategic plan needs to be
20 developed that addresses the funds needed to have a direct
21 impact or an immediate impact on stabilizing the child care
22 workforce. Thank you.

23 MR. TROBMAN: Thank you. Diana Mizell?

24 DIANA MIZELL: Good morning.

25 MR. TROBMAN: Good morning.

1 DIANA MIZELL: Thank you for allowing me to
2 speak this morning. My name is Diana Mizell and I am a small
3 business owner employing 20 early learning teachers. While the
4 Child Care Relief Fund was greatly appreciated and benefited
5 many centers from closure including ours, how are we to maintain
6 and going forward with the current workforce and demands? The
7 pandemic did shed light upon just how broken the child care
8 industry has been, especially if you accept the Child Care
9 Scholarship children. Our center, Kaleidoscope Child Development
10 Center in Dallas, has been a CCS provider for 22 of our 29 years
11 in a child care desert. It was a choice for our business to give
12 an opportunity for all children to have quality child care in a
13 four-star TRS early learning program. It has come with many
14 struggles and a deficit to our business. Most centers accepting
15 the scholarship programs are small businesses like ours. We will
16 not survive without cost of care for children of the scholarship
17 program and/or additional funding. Without small centers like
18 ours there will not be centers for scholarship children creating
19 additional stress on families and employers. We currently have
20 three families who have lost their care due to the
21 recertification process. This creates additional burdens on
22 families and children, and it also means that we have five
23 children who depended upon us who cannot come to school. These
24 children are taken to different family members daily causing
25 additional stress and burdens on their family, and this is where

1 infant and toddler care will end up without additional funding
2 or a restructure of the child care system. Thank you for your
3 time.

4 MR. TROBMAN: Thank you. Michael Mizell?

5 MICHAEL MIZELL: Hi, I'm Michael Mizell.
6 Thank you for your time. We've been in business for 29 years.
7 I'm the co-owner of Kaleidoscope Child Development Center. We
8 are in a child care desert. Early learning is important. It is
9 year-round, so is employment. Employment is year-round. Infant
10 and toddler care is unsustainable as a standalone program. The
11 current prices in the market do not cover the cost of 15-to-17-
12 dollar hour wages. To operate after grant funding expires would
13 require significant increase for early learning centers to
14 survive. While we appreciate the Child Care Relief Funds that
15 supported us as we recover from the pandemic, one third of early
16 learning care centers have closed. As more centers have been
17 affected by free pre-K this fall, early learning centers are in
18 jeopardy of closure. The ISDs aren't interested in partnering
19 for the pre-K slots financially. They'll let us give them free
20 space but that's all they want. Pre-K has also kept all of us
21 afloat and let us be able to provide care for infants and
22 toddlers that helped us offset the cost. Pre-K is essential for
23 us to survive. TWC has structured Rising Star, has the structure
24 of Rising Star and the slots for pre-K. Please create an early
25

1 learning department to put all early learning funds in one
2 department so we can survive. Thank you for your time.

3 MR. TROBMAN: Thank you. Roslyn Chaney?

4 ROSLYN CHANEY: Yes, thank you all for
5 giving me so much patience with this technical difficulty.
6 Greetings everyone. Thank you all for having me here. I'm
7 speaking on the HB619 too, and I am Roslyn Chaney. I am a 24/7
8 child care provider in Grand Prairie, Texas, family home child
9 care. I am really focusing on the early childhood education
10 because we focus on the academic and social and cognitive skills
11 that's developing children from birth to preschool. We are
12 trying to be able to sustain high-quality child care but at the
13 same time we need to get high-quality pay. Early childhood
14 education and its high-quality providers, we need to sustain
15 them to actually be on the same level with the ISDs as the
16 previous gentleman said. We are losing kids through the pre-K
17 program but we have early childhood educators that's qualified
18 to advance the education as getting teacher alternative
19 certifications, and I do appreciate that the kids with the CDA
20 program partnership with the child care, that's a plus also but
21 if we're able to sustain and grow as early child quality
22 providers, I'm a Texas Rising Star four star, and I've been a
23 Texas Rising Star—been in Texas Rising Star for five years now,
24 and we just got to keep in mind that our communities would
25 change for the better, tremendously if we are able to sustain

1 quality care and quality pay. I want to be on—it's going to be a
2 domino effect, positive or negative but we as providers want to
3 be on that positive side of that domino effect. We want to be
4 that source just like a river flows and it don't ever forget its
5 source. Early childhood education is the source, the epitome to
6 education. We provide all the social skills that's needed in
7 order for the kids to develop as needed to attend the ISD so I
8 think that we should be recognized as such. Thank you all.

9 MR. TROBMAN: Thank you. Brenda Pace?

10 BRENDA PACE: Good morning, Chairman Daniel,
11 Commissioner Demerson, and Mr. Serna. My name is Brenda Pace. I
12 am the director and owner of Pace and Ross Learning Center in
13 Dallas, Texas. Our center has created and supported high-quality
14 learning environments that engage the minds of young children
15 from birth to age five and continue to age 12 in the community
16 for 29 years. I am a proud member of the Early Education Leaders
17 Coalition as many of my colleagues have previously spoken. I am
18 an important community entity. I am a small child care business
19 owner and provider that has a big impact in the Oak Cliff area
20 of Dallas along with the other child care associates throughout
21 Texas. Our roles are essential because we impact the future. I
22 want to thank you for your support in the child care industry.
23 The Child Care Relief Fundings and the additional fundings
24 provided are appreciated and most needed. We have benefited that
25 we were able to get more PPE equipment, staff bonuses, and

1 stipends, and much needed repairs and upgrades during the
2 pandemic. My concern just like the other colleagues is
3 stability, quality care, and quality pay. I am concerned about
4 after the Child Care Relief Funding is depleted, and I'm asking
5 for wage—my recommendation is wage stabilization to increase the
6 reimbursement rate to be [inaudible] to the true cost of care
7 and furthermore to maintain a living wage for our staff. With
8 the resource the medium wage for our Texas child care teachers
9 is \$12.53. Child care teachers earn in the bottom three to five
10 percent of the national wage scales, and this has been going on
11 for over 25 years. Because of this deficit, just like everybody
12 says, we have lost qualified trained teachers to high wages
13 other than the child care industry, and I personally have lost
14 teachers because they love what they're doing but they can't pay
15 their bills. Many of them are working at FedEx, Buc-ee's, even
16 QuikTrip because they pay higher wages. Because of this, our
17 child care industry have lost the opportunity to steal the
18 wisdom, the patience, and the knowledge, and above all the love
19 of the craft and the talent for our future. This is all about
20 our future, and this also results in a high level of turnover. I
21 hope that the agencies incorporate the recommendations that are
22 meaningful to address the critical and urgent needs of the child
23 care system and those related to the significant increasing
24 teacher compensations. Thank you for your time and to listen to
25 my recommendations. Thank you.

1 MR. TROBMAN: Thank you. Cassie Willis?

2 CASSIE WILLIS: Good morning. Can you hear
3 me?

4 MR. TROBMAN: Yes.

5 CASSIE WILLIS: Hi, my name is Cassie
6 Willis. I am in Garland, Texas, with Willis Early Learning
7 Center, and I want to thank you for your time this morning. I
8 had the pleasure of speaking to you last year as well. Through
9 this year we have been so blessed with what you guys have helped
10 us with, but we see so much going on in our community that we're
11 still struggling. Our area is not a lower-income area as it
12 would be put on paper because we have choice of school, but our
13 area is a lower-income area. Myself and as well as my colleagues
14 that have been speaking, we don't get all the extra grants and
15 all the extra fluff all the time that comes with it. Our
16 families struggle. We have some parents, I would say 75 percent
17 of my parents are teachers in the district. Only about 25
18 percent of those will qualify for CCA or Child Care Assistance.
19 They are struggling to pay their bills. We have kids that leave
20 us daily unfortunately if they can't pay their bills. We have
21 had to carry the load with the grant that you gave us has been
22 such a blessing that we've been able to carry them for a little
23 bit longer but when that runs out, I won't have it to be able to
24 pay my teachers. We have been struggling with our classroom
25 numbers due to our city does not have a partnership with pre-K.

1 We have our teachers trained. All of my staff either has a
2 degree or is working on a degree for early education. That is
3 something that we are very proud of. We are a four-star center.
4 We are nationally accredited. We work really hard day to day. We
5 want to make sure that early education is noticed. We want to
6 make sure that you see that we are working for these little ones
7 to make a difference. We do not want to continue with the things
8 that we see in society with children in the school districts. We
9 are very blessed that we do have a lot of school teachers in our
10 building. They tell us the struggles that are in the school
11 system, so we are trying to start at the early age and fix that.
12 We take it on as such a—as just an honor that these teachers can
13 go get free services from the district but instead, they choose
14 to continually stay with us because they know that our teachers
15 are trained for early education, so we are wanting to just kind
16 of vocalize the fact that we need to have better partnerships
17 with the district. We agree but we also don't need the district
18 taking children when they're not ready for them, when they don't
19 have classrooms that are set up, when their teachers that they
20 have are not prepared to deal with younger education, so I thank
21 you for your time and thanks for listening and for hearing the
22 heart of a mother and as a child care provider. Thank you.

23 MR. TROBMAN: Thank you. Cynthia Pearson?

24 CYNTHIA PEARSON: Good morning. Am I heard?

25 MR. TROBMAN: Yes. Good morning.

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CYNTHIA PEARSON: All right, thank you.

Well, good morning, Chairman Daniel, Commissioner Demerson, and Mr. Serna. We are certainly missing the face of Commissioner Alvarez today as he was a true advocate for the early childhood field. I've heard where you stand on the issue too, Commissioner Demerson and Mr. Serna, when you had visited Abilene, and your firsthand use of child care in Texas for your own families. We as a child care provider are grateful for the Child Care Relief Funding and the stabilization grants we've received over the past two years. I am Cynthia Pearson with Day Nursery of Abilene, and we are in what's considered rural west central Texas in Abilene. Our agency, Day Nursery of Abilene, has been in business for almost 50 years. I appreciated the opportunity to serve on the strategic planning workgroup for the early childhood workforce along with several dozen other colleagues in the state who have committed their lives and careers to this crucial field. We are grateful to our legislators for passing HB619 in the 87th Legislative Session that mandated TWC prepare a strategic plan for improving the quality of infant, toddler, preschool, and school age child care workforce in the state. That is what our group set out to do. In my agency and business, we also develop our own strategic plan, and we ask four questions when we do that. One is what's right? One what's wrong? What's confusing, and what's missing. I think our

1 workgroup identified all of those things and did a very good job
2 at outlining some strong possibilities for impacting positively
3 the workforce in Texas for child care. The recommendations that
4 we see presented don't really do that. Although I do appreciate
5 some of the recommendations in the plan, they don't provide
6 strategies nor resources to incentivize and compensate the
7 industry for child care, and the staff that are needed to do
8 this important work. Most importantly, I don't see the support
9 for the current early childhood education workforce. That's
10 what's missing. Teacher compensation benefits needs specific
11 plans which we identified. We do appreciate some of the long-
12 term recommendations to support the pipeline in the future.
13 Those things are very important as well as to support the
14 industry long term, but we need some more short-term solutions.
15 As a child care provider, we have a history of receiving phone
16 calls from desperate parents in need of child care every day.
17 They need and have a desire to work, to return to work but they
18 cannot do so without safe educational spaces for their infants,
19 toddlers, and preschool age children. We are now getting those
20 phone calls from business leaders in our community, and owners
21 of major businesses in our city such as from the president of
22 the largest banking institution in our state and country, school
23 districts, hospitals, city leaders who cannot attract employees
24 because of the child care deficits. Deficits in the child care
25 workforce equal to deficits in economic development in every

1 city in our state as whole, and it's not stopping there. Several
2 other groups in our city have an increased interest in the child
3 care crisis just because of what is going on including there
4 being an in-depth study which has been commissioned by community
5 leadership. This is a real issue that we must continue to
6 address. It is our hope that by hearing us today that TWC will
7 broaden the scope of this strategic plan to incorporate some of
8 those suggestions that we made. During the pandemic we gained
9 some momentum and interest which needs to continue in order to
10 strengthen the early childhood education workforce in Texas.
11 Thank you for hearing us today, for the continued support of the
12 early childhood industry which supports a strong Texas. Wishing
13 you all a Merry Christmas and a Happy New Year.

14 MR. TROBMAN: Thank you. Are there any
15 others on the line that have not yet been called? Commissioners,
16 I think that's it.

17 CHAIRMAN DANIEL: Thank you very much.
18 Commissioner Demerson, any questions or comments for staff?

19 COMMISSIONER DEMERSON: Yes, first of all
20 let me say thank you for all you do, those that presented today,
21 those that are on the line, appreciate everything that you do in
22 that space. I have two boys that Ms. Pearson had mentioned that
23 are very successful boys that are young men right now who got
24 their start in the child care system with very talented, loyal,
25 and dedicated staff at that point. So a couple of things here.

1 It seems like a lot of the comments were coming from the
2 workgroup members, and there's an organization, I guess the
3 Prenatal-to-3 Policy Impact Center, are they here today, Ed?

4 ALLISON WILSON: They partnered with UT and
5 the LBJ School. It's an academic entity that helped us develop-

6 COMMISSIONER DEMERSON: Are they here today?

7 ALLISON WILSON: They are not here today.

8 COMMISSIONER DEMERSON: So this seems to
9 deal with the process for me, a process. It sounds like there
10 are a lot of upfront expectations most of our members, so we
11 have a strat plan that's been delivered but most of the members
12 that are talking about it were on that workgroup and they were
13 part of developing the strat plan, and so it seems like there's
14 a disconnect in regards to a shocked nature in the sense that
15 there's a report and we're hearing all these comments right now.
16 I don't know if the report was issued on Friday or if the
17 recommendations that were put forward were not communicated. I'm
18 not sure. There's just a disconnect for me right now in terms of
19 a process that's taking place because there's a strat plan with
20 the majority of the members, the workgroup members, very
21 supportive of our efforts. They are very supportive of what
22 we've done but this strat plan seems to be missing the mark in
23 their mind and so from the standpoint of setting expectations
24 and upfront expectations in regards to either what we're going
25 to do as an agency or where we're planning to go, it seems like

1 we have a disconnect here. It sounds like there's a lot of talk
2 on teacher compensation, wages, along those lines, and they feel
3 that that's not being addressed. Eliminating the pay disparities
4 or improving the infant, toddler, child care workforce, those
5 are some of the things that were coming out as well, and so I
6 want to make sure that we are being respectful of what's being
7 requested in House Bill 619, and if we can answer that we are
8 addressing those needs, then that's one thing, we're OK in that
9 regard but if we are not able to either answer that or we want
10 to further discuss this or look into this, I think it's probably
11 warranted based on all of the input that I'm hearing where you
12 have a number of the members of the workforce group. It just
13 seems like we have two ships passing in the night. We're not
14 connecting in a sense and that concerns me. Those are my
15 comments.

16 CHAIRMAN DANIEL: Are you interested in
17 trying to reconcile that and have staff bring this back at a
18 later date? Do you want to do it today? I think there's probably
19 some information that can be gathered. How are you thinking we
20 might proceed on this?

21 COMMISSIONER DEMERSON: Yes, I definitely
22 would like us to—if we have the opportunity to gather additional
23 information, Ed, you and the team kind of—you've heard the
24 comments and I think it's important that we listen to those
25 comments and again if we come back and we're satisfied with what

1 we have as a report, we'll know that but I definitely would like
2 us to weigh in on those comments, especially with the fact that
3 most of those members were part of the workgroup, that just
4 concerns me, that they were part of the workgroup and the
5 recommendations, and if they're not—they have to be but I would
6 be curious as to this Prenatal-to-3 Policy Impact Center or
7 whatever group that can help us with this process, what they
8 were doing in that regard so, Mr. Chairman, yeah, in terms of
9 pushing it down to allow staff to further look into some of the
10 comments and observations that have been raised, I would love
11 for us to do that.

12 CHAIRMAN DANIEL: I think that's a fair
13 request. So the bill that was passed required that we complete
14 and send a report to the speaker, the lieutenant governor and
15 the governor before December 31st of this year. I'm quite certain
16 the bill's sponsor, the original House Bill sponsor, would
17 probably entertain a request to maybe delay that. We'd have to
18 have it done I think before January 10th I would say when the
19 legislature convenes to really kind of comply with the spirit of
20 the law. I'm perfectly willing to let us gather more information
21 and come back the first week in January, the 3rd or the 4th or the
22 5th, take this back up in an open meeting and finalize it at that
23 point, and I think in doing that I would ask Mr. Serna to ask
24 our government relations staff to communicate that to the bill's
25 sponsor, that that's what we're doing so that we can address

1 some specific concerns that were raised today, and I think, I
2 know this person to be very reasonable and will definitely
3 listen to our request so if that works for you, I think we can
4 take that up and find out some of the answers to the questions
5 and get whatever revision staff feels like needs to be made to
6 the report so that we can consider it the first week of January.

7 COMMISSIONER DEMERSON: Sounds good to me. I
8 think we'll look at the calendars and make sure that we're lined
9 up because I'm not sure if we had a meeting set for that day or
10 not having a meeting set so we'll need to do that, and if that
11 clears or checks, we're good to go.

12 MR. SERNA: We have time to set a meeting.

13 COMMISSIONER DEMERSON: That's fine. Just
14 our regular Tuesday meeting, I'm not sure if we had a meeting
15 set.

16 CHAIRMAN DANIEL: So we didn't schedule one
17 for the 3rd, but we can easily do that. We have time to do that.

18 MR. SERNA: That's what I mean. We have time
19 to post for one that first week in January.

20 COMMISSIONER DEMERSON: Yeah, that's what I
21 meant by going back and looking at the calendars because I'm
22 hearing it right now, so I need to go back and make sure that
23 we're solid.

24 CHAIRMAN DANIEL: Well, let's do that and if
25 you think you have any availability at all that week, we don't

1 have to be on Tuesday. If we want to meet another day at another
2 time, we can certainly do that too.

3 COMMISSIONER DEMERSON: OK, that's fair.

4 CHAIRMAN DANIEL: Whatever may be going on
5 with your schedule.

6 COMMISSIONER DEMERSON: That's fair. Thank
7 you.

8 CHAIRMAN DANIEL: All right, any further
9 comments?

10 COMMISSIONER DEMERSON: Not from me.

11 CHAIRMAN DANIEL: Well, I think if we're
12 going to take this up later, I'll reserve all my comments for
13 then. One of my questions did have to do with both pay disparity
14 and a couple other things that I think we probably actually have
15 the answers to, and it really looked like they were missing
16 because we think we already have the answers to those, and so I
17 think probably that's some writing where we can just clarify
18 some things that we thought we were saying that people didn't
19 read it that way so-

20 ALLISON WILSON: Yes.

21 CHAIRMAN DANIEL: Most of my questions kind
22 of dealt around that. I think I'll just bring those up the week
23 of the 3rd or whatever week that is, the 2nd, the week of the 2nd,
24 and we'll just take it up then.

25 ALLISON WILSON: OK, thank you.

1 COMMISSIONER DEMERSON: Thank you, Allison.

2 CHAIRMAN DANIEL: All right so we will table
3 this for further consideration at a meeting for the first week
4 of January.

5 MR. SERNA: Thank you.

6 CHAIRMAN DANIEL: Let's move then to Agenda
7 Item 8, Board Contract Year 2023 Supplemental Funds for Texas
8 Rising Star Assessment.

9 ALLISON WILSON: OK, again for the record,
10 Allison Wilson with the Child Care & Early Learning Division.
11 The 87th Texas Legislature enacted House Bill 1792 which directs
12 TWC to procure a single entity to oversee all Texas Rising Star
13 assessors. TWC is currently in the procurement process with a
14 goal of a single entity being selected in the spring of 2023,
15 and under contract in May of 2023. Additional funding is needed
16 to support the board, the cost for boards to oversee and support
17 Texas Rising Star assessments for a portion of Board Contract
18 Year 2023 from October of 2022 through August of 2023 as well as
19 to support the costs for the new centralized entity during the
20 transition period. As described in the discussion paper, the
21 commission previously approved 5.9 million for assessor funding.
22 Based on the new timeline and a new estimated Fiscal Year '23
23 cost of 7.9 million, an additional two million is needed. Staff
24 recommends that the commission approve an additional two million
25 to support Texas Rising Star assessor services in Board Contract

1 Year '23 for boards and in Fiscal Year '23 for the new
2 centralized assessor entity, and that concludes my remarks. I'm
3 happy to answer any questions.

4 CHAIRMAN DANIEL: Any comments or questions?

5 COMMISSIONER DEMERSON: None here.

6 CHAIRMAN DANIEL: [inaudible] Is there a
7 motion?

8 COMMISSIONER DEMERSON: Yes, Mr. Chairman, I
9 move that we approve an additional two million to support Texas
10 Rising Star assessor services in Board Contract Year 2023 for
11 boards and in Fiscal Year 2023 for the new centralized
12 assessment entity.

13 CHAIRMAN DANIEL: I'll second the motion,
14 and it's approved.

15 ALLISON WILSON: Thank you.

16 CHAIRMAN DANIEL: Thank you. This is Agenda
17 Item 9, 2022 TWC Annual Report and Supplemental Annual Report.

18 MARY YORK: Sorry, I'm sitting rather low in
19 this chair so let me know if you can't hear me over. Good
20 morning, Chairman Daniel, Commissioner Demerson, and Mr. Serna.
21 For the record, I'm Mary York, director of outreach and employer
22 initiatives. Before we get started, I would like to take a
23 moment to introduce Erin Dufner, seated beside me, our new
24 director of strategic communications who is here to help present
25 this agenda item. I would like to thank her and her team and all

1 the TWC staff who contributed to these reports. Commissioners,
2 before you today for consideration are the 2022 TWC Annual and
3 Supplemental Reports. The annual report has been compiled in
4 compliance with Texas Labor Code Sections 301.065, 301.156, and
5 301.157, for submission to the governor and Texas legislature
6 pending commission approval. For the record, there is one change
7 that I would like to note. On page three of the annual report,
8 table CRD 1, the total field for the total number of females
9 should read 51,346 instead of 513,646. Also, should any other
10 typographical or nonsubstantive changes be needed during the
11 final design of the document, I would ask that the commission
12 allow staff to make those prior to submission. Also before you
13 is TWC's Supplemental Report for Fiscal Year 2022 compiled in
14 accordance with Texas Labor Code Section 301.065, which requires
15 TWC to submit a separate supplemental annual report consisting
16 of any information required by other law to be included in the
17 supplemental annual report. The report contains annual
18 information for the following programs: College Credit for
19 Heroes, Skills Development Fund, Trade Adjustment Assistance,
20 and Works Wonders, Texas Purchasing from People with
21 Disabilities which are all required under the law. Lastly, prior
22 versions of these reports have included either combined or
23 separate messages from TWC. The posted version of the annual
24 report does not currently include any commissioner messages, and
25 I do have some copies of what has been shared with us for your

1 consideration. Erin can distribute those to you now, and we
2 would seek the commission's direction on how to proceed with
3 these messages and the combined introduction to the supplemental
4 report. So that concludes my presentation. Staff are available
5 from all included programs to answer any questions you may have
6 regarding either of these reports.

7 CHAIRMAN DANIEL: Commissioner Demerson,
8 comments or questions?

9 COMMISSIONER DEMERSON: Yes, so the annual
10 report commissioners' messages that Erin [inaudible], that Erin
11 passed out, where were these included? Were they on both reports
12 or just one of the reports?

13 MARY YORK: Last year we had separate
14 messages from each one of the commissioners preceding the annual
15 report.

16 COMMISSIONER DEMERSON: The annual report.

17 MARY YORK: Yes.

18 COMMISSIONER DEMERSON: All right.

19 CHAIRMAN DANIEL: So my only comment is
20 this. I'm just kind of wanted to lay this out and see the best
21 way that you might want to proceed. So, you know, we had arrived
22 at this place where each commissioner included a message which I
23 thought was good, and the messages were good. Last year's
24 report, the messages were good if I do say so myself since one
25 of them was mine, but I thought we kind of laid out some

1 priorities for the agency, some kudos for the agency. I think
2 all those were appropriate, so I was thinking about this report,
3 and I was watching it be developed, and then staff briefed me on
4 it, and it occurred to me that much of this report was prepared
5 while Commissioner Alvarez was still in office. His departure
6 creates sort of a stylistic question for me. While it is true
7 that he was a commissioner through fiscal '22, to issue the
8 report with his message which I haven't seen and I just saw it,
9 as a commissioner message I think is not probably aligned with
10 the typical protocol that we would see in an agency in terms of
11 when a commissioner leaves. I looked at some other agencies and
12 their annual report particularly when I knew that they had a
13 vacancy in the commissioner's spot. They just simply didn't
14 include them in the list of commissioners which I don't want to
15 do here either. So I've been thinking about how could we include
16 some recognition of the work that Commissioner Alvarez did while
17 he was here at TWC in light of the fact that he's moved on to a
18 new adventure. I thought of a couple options, wanted to float
19 those by you. Whatever conclusion we kind of arrive at today,
20 you know, I think is probably where we are, and we can finalize
21 this. A couple of other options rather than list three
22 commissioners, one of whom is no longer a commissioner, I think
23 there are some protocol issues with that. I have no interest in
24 eliminating his message from the report. I don't think that's
25 appropriate either so the two compromise positions that I could

1 think of were to combine our messages into one message, just a
2 commissioner's message where we could highlight the work and
3 recognize the work that Commissioner Alvarez did while he was
4 here with TWC or alternatively we could just include an
5 executive director message, ask Mr. Serna to include elements
6 from all of our different commissioner's messages that we
7 proposed, also asking him to highlight the contributions that
8 Commissioner Alvarez made while he was here. He had a long
9 tenure here at TWC and I think it deserves some recognition. So
10 I'm actually at a little bit of a quandary here. I think it is--
11 it's not necessarily a violation of law or anything like that
12 that you would include someone's message who is no longer a
13 commissioner but it's just I haven't seen that done at another
14 agency, and I think there's a couple other mechanisms we can use
15 to ensure that his work gets recognized in addition to the
16 things that we think are important and want to highlight on
17 behalf of the agency. So let me give that to you for your
18 consideration, hear your thoughts. I did not submit my message
19 although I've been working on it because I've been trying to
20 figure out kind of the best way that I would want to move
21 forward, and the only way we can really talk about this is in
22 open meeting here today so we're going to talk about it open.

23 COMMISSIONER DEMERSON: I'm fine with I
24 think combined messages and then mentioning Commissioner
25 Alvarez, and then moving on from that point. We actually, the

1 team, because the OEI team was pushing our team to get a message
2 done, and they were pushing us pretty hard to get a message done
3 and we did, and so if I'm not using that document here, I'll
4 probably use it during some other things and so in that point
5 but—so I'm fine. I think this thing came about, Ed, as a result
6 of last—one time we couldn't get it done or whatever, so we said
7 we were going to go with three commissioner messages from that
8 point, and that's how we got here with three messages so—

9 MR. SERNA: Yes, sir. We couldn't get to a
10 combined message.

11 COMMISSIONER DEMERSON: So bringing it back
12 to a semi-combined with some other things, I'm fine with that.

13 CHAIRMAN DANIEL: OK. Well, so I would move
14 that we—I would move that we approve the report and ask staff to
15 make revisions to the opening message making it a combined
16 message, and then submit that back to us for approval. Since
17 we're coming back for the child care report, we can either
18 approve it there or we can just rely on staff to prepare a
19 message. I'm comfortable with staff preparing the message. I
20 don't need to approve it again once they do that. It depends on
21 how you feel about it, what I'm about to move here.

22 COMMISSIONER DEMERSON: Yeah, no, I'm fine
23 with it. They can do that, just run it by my office, definitely
24 want to see it, and so I'm fine with the second.

25

1 CHAIRMAN DANIEL: All right. I move that we
2 adopt the two reports, that staff combine the messages into one
3 message, and that when that message is completed, then the
4 report is final, and we can move ahead.

5 MARY YORK: Chairman, can I ask a point of
6 clarification—

7 CHAIRMAN DANIEL: Please.

8 MARY YORK: Before you take your vote? On
9 the supplemental report there's currently an introduction, and
10 the way we had posted it and the way it had been prepared prior
11 to Commissioner Alvarez's departure is it would have included
12 his signature with this action, am I removing his signature
13 based on the fact that we would no longer be using that there?

14 CHAIRMAN DANIEL: Well, unfortunately based
15 on the protocol that I've seen, I'm afraid so.

16 MARY YORK: OK.

17 CHAIRMAN DANIEL: I've just seen what other
18 agencies have done, and I assume we would sort of stick with
19 that protocol.

20 MARY YORK: OK. Thank you for the
21 clarification, and then also again one more point of
22 clarification. In your motion are you going to allow for
23 nonsubstantive corrections to be made?

24 CHAIRMAN DANIEL: Yes.

25

1 MARY YORK: Grammar, punctuation, things
2 like that?

3 CHAIRMAN DANIEL: Yes.

4 MARY YORK: In the final report?

5 CHAIRMAN DANIEL: Yes.

6 MARY YORK: OK, thank you.

7 COMMISSIONER DEMERSON: Fine. I'm good.

8 CHAIRMAN DANIEL: With no objection, that's
9 what we would approve. All right.

10 MARY YORK: Thank you.

11 CHAIRMAN DANIEL: Thank you. This is Agenda
12 Item 10, Child Care Match.

13 SANDRA WILLIAMS: Good morning, Chair
14 Daniel, Commissioner Demerson, Mr. Serna. For the record, Sandra
15 Williams, Workforce Development Division. The Texas Workforce
16 Commission allocates federal funding for child care services
17 from the Child Care and Development Fund to local workforce
18 development areas. For a portion of the CCDF funding, local
19 Workforce Development Boards are required to secure and submit
20 local matching funds to TWC in accordance with federal
21 regulations, TWC, Chapter 809, Child Care Service Rules, and TWC
22 800, General Administration Rules. Boards submit annual local
23 match pledges from private and public entities to secure these
24 funds pursuant to Section 809.17, and to maximize resources
25 needed in their communities. The supporting documentation

1 includes 46 Board Contract Year '23 match agreements from eight
2 boards. Those boards are Cameron, Central Texas, Coastal Bend,
3 Greater Dallas, Gulf Coast, Lower Rio Grande, Permian Basin, and
4 South Texas. The boards have currently secured 42.32 percent of
5 the required statewide match for BCY23 with five boards securing
6 at least 50 percent of their target, and four boards securing
7 100 percent of their target. The amount currently secured is
8 \$13,848,008. Staff recommends accepting these child care pledges
9 for donations, transfers, and certifications of expenses for
10 BCY23 in the amount of \$13,848,008.

11 CHAIRMAN DANIEL: Any comments or questions?

12 COMMISSIONER DEMERSON: No comments.

13 CHAIRMAN DANIEL: Is there a motion?

14 COMMISSIONER DEMERSON: I move that we
15 approve the acceptance of child care pledges for donations,
16 transfers, and certifications of expense for the Board Contract
17 Year 2023 in the amount of \$13,848,008 as recommended today by
18 staff.

19 CHAIRMAN DANIEL: Yeah, I second it and it's
20 approved.

21 SANDRA WILLIAMS: Thank you, sir.

22 CHAIRMAN DANIEL: This is Agenda Item 12,
23 Board Nominations.

24 CHERIE DUDLEY: Good morning, chairman,
25 commissioner, and Mr. Serna. For the record, Cherie Dudley with

1 Workforce Development. Today for your consideration we have
2 Workforce Board nominations for Cameron County, East Texas,
3 Golden Crescent, and Northeast Texas. Staff recommends approval
4 on the presented nominees, and I'm here to answer questions you
5 may have.

6 CHAIRMAN DANIEL: Any comments or questions?

7 COMMISSIONER DEMERSON: There is one person
8 from Workforce Solutions East Texas, I can't remember that name
9 right off the top of my head but we're fine. I'm good.

10 CHERIE DUDLEY: OK.

11 CHAIRMAN DANIEL: Is there a motion?

12 COMMISSIONER DEMERSON: I move that we
13 approve the local Workforce Development Board member nominees
14 presented today for the following Workforce Solutions teams:
15 Cameron County, East Texas, Golden Crescent, and Northeast
16 Texas.

17 CHAIRMAN DANIEL: I second the motion and
18 it's approved.

19 CHERIE DUDLEY: Thank you.

20 CHAIRMAN DANIEL: Is there an executive
21 director's report today?

22 MR. SERNA: No, sir, other than to wish the
23 two of you and the staff of TWC happy holidays.

24 CHAIRMAN DANIEL: Thank you very much. Any
25 other order of business to come before the commission?

1 COMMISSIONER DEMERSON: Mr. Chairman, I kind
2 of misspoke when I talked about the Workforce Solutions of East
3 Texas. It was Mr. Donovan Huff from Golden Crescent that I was
4 referencing but we're good.

5 CHAIRMAN DANIEL: All good?

6 COMMISSIONER DEMERSON: OK.

7 CHAIRMAN DANIEL: All right. Any other
8 comments?

9 COMMISSIONER DEMERSON: None from me.

10 CHAIRMAN DANIEL: All right, is there a
11 motion to adjourn?

12 COMMISSIONER DEMERSON: I move that we
13 adjourn.

14 CHAIRMAN DANIEL: And I second the motion to
15 adjourn and we're adjourned. Thank you.

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Texas Workforce Commission Meeting
December 20, 2022

Item 12 A: Discussion, Consideration
and Possible Action Regarding a
Strategic Plan for the Child Care
Workforce for Submission to the
Governor, Lieutenant Governor, and the
Legislature as Required by House Bill
619, 87th Texas Legislature, Regular
Session

Written Comments

Dear Chair Daniel, Commissioner Demerson, and Mr. Serna:

My name is Sandy Dochen. I'm a member of Early Matters Greater Austin and am working with several child care advocacy groups across Texas to help bring a business voice to the issue of child care, which we all agree is an economic driver for employers and the productivity of working parents across Texas. I also served for more than two decades as a large employer representative on my local workforce board in Austin, prior to retiring in 2019. I also testified for HB 619 last session.

In an initial review of the agency's report and strategic plans released last week, I see several bright spots to help local boards provide more coordination on quality improvements for the child care workforce and to better understand the needs of that important sector. It's also laudable that the agency plans to maximize federal funds for implementing multiple recommendations of the HB 619 study, many of which will provide solid tactical direction. And, creating better career instruction and pathways with high schools and community colleges is a strong positive.

On the other hand, I don't see a broad and strategic focus on what is truly needed: more funds in the very near term to raise reimbursement rates. Doing so would help to raise the salaries of child care workers and the ability of child care center owners to make a secure enough living to continue to offer their crucial services. TWC deserves great kudos for channeling ARPA funds to workforce boards that have kept many centers in business through COVID. However, I see no real process to address the strategic economics that defy the supply/demand curve of child care. If a child care worker can make a higher salary in many other fields and with less stress, the plight of the child care workforce ---and the shortages of such motivated professionals will not improve fast enough.

I suggest that, in the spirit of HB 619, its sponsors and supporters, TWC should act more boldly in providing more funds to raise reimbursement rates that would, in turn, increase salaries and profit margins. I acknowledge the report's observation that most child care in Texas is not delivered through the workforce board system. However, low reimbursement rates mean that many centers that can command more market-driven tuition, will not reserve lower paying "slots" through the workforce board system, which then hurts the ability of workers in training programs or lower wage jobs to find child care comparable to market-rate centers. The result, of course, hurts the ability of these hard-working parents to make their families' lives more stable and their own work more productive.

TWC needs to act more definitively on the study findings and spirit of HB 619. Additional state investment will more economic productivity, the ability of child care operators to offer more market-driven salaries to workers and the ability of the centers to prepare our youngest Texans with the access and quality learning they need to become our future quality workforce.

Thanks for your service to Texas.

Sandy Dochen

The following comments are directed to the Texas Workforce Commission regarding HB619 from the 87th Session which mandated that TWC prepare a “strategic plan for improving the quality of the infant, toddler, preschool, and school-age child-care workforce in this state.”

As an early childhood educator and administrator who has provided direct care for most of the 44 years of my career, and who has seen many changes evolve in early care and education, the effects of the pandemic upon the child care industry have been some of the most significant and devastating I have witnessed. The past almost three years have highlighted the flaw’s in our child care system.

This strategic plan was intended to address the market failure of the child care system and the resulting child care workforce crisis. Families cannot find accessible, affordable, quality child care so that they can go to work and feel reassured that their child is safe and thriving. Child care educators are leaving the field due to the high responsibility of caring for young children while receiving low pay, few benefits, and little respect.

In order to hire and retain qualified educators, child care administrators are having to make difficult decisions about increasing child care tuition, even though they know that families are suffering financially too. I am aware of multiple programs that are not fully enrolled and who have classrooms sitting vacant, simply because they can’t hire enough educators to staff those classrooms. Access to infant and toddler care, the most expensive age to serve, was already limited. This hurts families, employers, and our economy.

While most of these issues were present prior to March 2020, for example, child care center budgets were too often subsidized by the providers themselves due to low pay, the pandemic has magnified them. As quality standards have increased, so have the expectations that educators are getting the education needed to provide quality services to children and families.

Many fast food chains have increased hourly wages to \$15 per hour in order to hire and retain staff with little education and training. Why would someone looking at possible careers consider taking a job requiring the responsibility and hard work of caring for and teaching young children for \$10-12 per hour? You can increase your hamburger price to make up for that without consumers noticing a big increase. How does a child care operator do that without passing the cost on to families who are already struggling with the cost of care, but who don’t qualify for child care subsidies?

While I appreciate some of the recommendations, this proposed strategic plan will not provide the strategies nor the resources to incentivize and compensate staff adequately. As someone who directs a child care program and facilitates a forum of providers which has met weekly since March 2020, I can say unequivocally that this plan is not sufficient to address the staffing crisis in our field, will not successfully improve the child care workforce, and will not prevent the crisis to worsen.

As an educator that works in a community college child care center that is training, educating, and mentoring students who are working to increase their education in early care and education, I can also tell you that enrollment is down and many students are having difficulty seeing how improving their education in an area they love and are passionate about will benefit them.

I hope that TWC will broaden the scope and recommendations of the strategic plan so that together we can stabilize and support the child care workforce that allows families to work and contribute to a stronger Texas economy. It is imperative that the plan include other strategies that can be collaboratively worked toward with other entities in the state. Texas has the resources and the economy to better support an infrastructure system like child care that gets people into the workforce and keeps them there.

Dawn Leach

Children’s Lab School, Austin Community College District

Dear Chair Daniel, Commissioner Demerson, and Mr. Serna:

My name is Tom Hedrick. I am a private equity investor with interests in 20 companies. I am also a member of several childcare advocacy groups across Texas. I have spent the last five years studying the link between support for young families and economic outcomes. Put simply; there is no better public investment we can make that comes near the benefits we receive from investing in our kids and their families. Among those investments, childcare funding ranks at the very top of intelligent investments.

I am familiar with the work on HB 619, and I serve on the Advisory Board of the Prenatal to Three Collaborative, the group of academics who assisted with the HB 619 work. My comments compare the content of that report to the strategic plan. In an initial review of the agency's report and strategic plans released last week, I was glad to see several positive recommendations to improve the childcare sector, including:

- Assisting local boards in providing more coordination on quality improvements.
- Maximizing Federal funds for many of the HB 619 recommendations.
- And creating better career instruction and pathways for those interested in teaching in the sector.

On the other hand, increased funding by the State is missing from the report. As you know, Texas spends relatively little of its budget on Childcare initiatives, instead deciding to leverage Federal funds for the bulk of childcare funding. Without increased funding, the parameters of which the HB619 study clearly outlined, I worry that Texas' kids and their parents are getting the short shrift. There are real, tangible, and measurable ways that the State could increase funding, including:

- Providing bonus/wage supplements to existing staff to reduce turnover and increase adequate seat capacity.
- Paying market rates for the quality services rendered will invite more providers and capacity into the market.
- Increasing State-provided subsidies, so more families have the freedom to work.

As numerous studies have shown, increasing quality capacity to help more families participate in the workforce has short-term benefits – increased sales taxes from more wages; significant employer benefits avoiding turnover; increased employer hiring costs; increased expenses due to lost productivity; and increased kindergarten readiness for the kids in high-quality programs. Economic benefits from these investments likely outweigh many other investments and spending the state is undertaking. And there is plenty of evidence to back that up.

I urge you to reconsider the plan by significantly increasing state funding to the sector. TWC needs to act more definitively on the study findings and spirit of HB 619 and increase the States funding support of quality early childcare capacity. Invest in childcare because it makes excellent economic sense for Texas.

Thank you for what you do for Texas.

Tom Hedrick
Dillon Joyce Ltd