

FROM THE DESK OF
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TO
SUNSET ADVISORY COMMISSION

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SUMMARY COMMENTARY

In response to the Sunset Advisory Commission's Staff Report on TDLR for 87th legislature:

Responses to Recommendations

- 1.1 - Synchronize TDLR extension with Sunset inspection next session
- 1.2 - Disagree - TDLR only provides value to Texas if it gets more involved with Industries, not less
- 1.3 - Disagree – Alternative provided below

Suggestions

- ☑ Monitor TDLRs financial licensing drag on industries to ensure it remains in control
- ☑ Legislation authorizing short-lived single issue working groups to tackle industry and cross industry issues (replaces 1.3)
- ☑ Move regulation of industries not benefited by close Regulator/Industry relationships to more efficient Agencies
- ☑ Ensure correct oversight is occurring on TDLRs software development and data security practices
- ☑ Ensure functioning method of escalating process breakdowns and raising complaints against TDLR



At their core, organizations are just a giant network of relationships. So, if you fail to build on those relationships, your chances of succeeding are not very high.

Full Response to TDLR Sunset Report 2020

I am the owner of a Dallas area school, primarily teaching massage (not under review). As an educator, it is my responsibility to train students to enter the workforce in a timely manner, so they can begin contributing to our economy.

I am responding today because some of the recommendations made by Sunset Commission will drive the regulators further away from understanding the industries they govern. Due to awkward/outdated legislation and other factors, the massage industry is required to self-regulate. My objective is to ensure that all industries have healthy and responsive relationships with their regulators.

Recommendation— Reports should Include estimates of economic loss

The financial figures on pages 7-8 are helpful, but we also need to look at the economic slowdown created by TDLR, since it has such enormous impact on the economy and livelihood of Texans.

After graduation, my students are required to receive TDLR licensing before being able to enter the workforce. The process is lengthy, sometimes as long as 7 months. The delays are often due to problems or breakdowns in this process. During this time, my students remains on unemployment or underemployed. This impedes the licensee, the businesses they work in and, of course, tax revenue.

For my own students I (conservatively) assume they lose \$1000 per week waiting. A student waiting 7 months has lost \$30,000. This is a heavy loss for any individual. It only takes a few dozen students to turn this drag into a million-dollar loss. In addition, TDLR has plans to implement further changes that will increase the delay by weeks. A few weeks of delay over thousands of licensees adds up to millions very quickly.

We need to ensure this is scrutinized so that it remains within acceptable tolerances deemed acceptable by our legislators.

Regarding 1.1 - Commentary

Covid-19 has justifiably caused Sunset Commission to be a little more 'gentle' than normal in its report this session. I look forward to participating in this process next session when more industries are evaluated and a deeper dive is performed.

Given the recent data leak and a failed software release, attention next term must be spent on IT and security. Regulation regarding the resolution of complaints against the Department should also be reviewed. They must be handled in a trustworthy, transparent manner.

Regarding 1.2 – I Disagree

Industries not needing 2 advisory meetings per year would be better served under the stewardship of a more efficient agency or having their licensing dropped, like in issue 2.

TDLR will never be able to issue licenses with the efficiency, consistency or security of an agency like the DPS. They lack the infrastructure and economies of scale. Likewise, TDLR offerings to code enforcement are very standard, easily replicated by other agencies. A dedicated occupational licensing agency like **TDLR is only useful if it is maintaining close, highly-interactive relationships with the industries they regulate.**

TDLR is failing at maintaining these relationships, and Sunset Commissions recommendation seems to suggest that this is a place to save time and money, rather than the whole point of the agency.

It is concerning that when TDLR convenes an advisory board of some of the industry's leading experts, *only* about 1 week of FTE time is dedicated to the event. These boards are not being used to their full effectiveness.

TDLR should take advantage of the opportunities these meetings provide. Taking strides down this path will also help mend some of the broken trust licensees feel towards the Agency.

I also extend this advice to the required biennial strategy sessions which feel more like legally prescribed game shows rather than meaningful strategy sessions.

Regarding 1.3 – I Disagree

Interdisciplinary boards should not replace industry specific boards.

An alternative I support would be temporary single-issue working groups, including cross discipline groups. Examples of this would be working groups for COVID-19 response for healthcare workers, or tuition refund standardization. This is the process in which the modern Internet was built and has shown to be a consistently effective means of creating rule proposals, recommendations and standards.

And as always, there is no regulation preventing informal coordination between people and Agencies. It's a very effective and Texan way of getting things done.

Sincerely,

Andrew Alexander