

**MINUTES OF THE
FINANCE COMMISSION MEETING
Friday, June 16, 2023**

The Finance Commission of Texas convened at 9:28 a.m., on Friday, June 16, 2023, with the following members present:

Finance Commission Members in Attendance:

Phillip Holt, Chairman	Sharon McCormick
George "Cliff" McCauley, Vice Chairman	Vince Puente
G. Martin "Marty" Green	Debbie Scanlon
Will Lucas	

Finance Commission Members Absent:

Bob Borochoff	Roselyn "Rosie" Morris
Hector Cerna	Laura Warren

Chairman Phillip Holt made a motion to excuse Bob Borochoff, Hector Cerna, Rosie Morris, and Laura Warren from the Finance Commission meeting held on June 16, 2023. There were no objections and the motion passed unanimously. (0:41 on audio file)

Commissioner Charles G. Cooper announced there was a quorum with seven (7) members present. (1:10 on audio file).

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the April 21, 2023, Finance Committee Meeting	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	1:20 Start of Discussion
3. Consent Agenda – Items A1, B2–B4, B6-B13 and C2–C5	Will Lucas made a motion to Approve Consent Agenda items A1, B2-B4, B6-B13 and C2–C5. Sharon McCormick seconded, and the motion passed.	1:51 Start of Discussion 2:18 Vote
4. Finance Commission Operations	No Action Required.	2:39 Start of Discussion
5. Audit Committee Report		
A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Office of Consumer Credit Commissioner’s Texas Financial Education Endowment Fund Investment Portfolio Administration Audit Report as Prepared and Presented by Garza/Gonzalez and Associates	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Office of Consumer Credit Commissioner’s Texas Financial Education Endowment Fund Investment Portfolio Administration Audit Report as Prepared and Presented by Garza/Gonzalez and Associates passed.	4:04 Start of Discussion 4:20 Vote

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B. Discussion of the Activities of the Texas Financial Education Endowment (TFEE)	No Action Required.	n/a
C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2024-2025 Funding Priorities	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2024-2025 Funding Priorities passed.	4:37 Start of Discussion 4:50 Vote
D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve an Amount for the Upcoming 2024-2025 Grant Cycle for the Texas Financial Education Endowment	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve \$730,000 for the Upcoming 2024-2025 Grant Cycle for the Texas Financial Education Endowment passed.	5:02 Start of Discussion 5:15 Vote
E. Discussion of the Activities of the Mortgage Grant Fund	No Action Required.	n/a
6. Discussion of and Possible Vote to Take Action Regarding Personnel Matters Pursuant to §551.074, Texas Government Code: Deliberations with Respect to the Duties and Compensation of a Person Holding the Position of Executive Director of the Finance Commission, Deliberations with Respect to the Duties and Compensation of Persons Holding the Position of Agency Commissioner Positions, and Other Staff	Martin Green made a motion to Approve a 5.0 percent increase in annual salary with a minimum of \$3,000 per annum increase on July 1, 2023, and another 5.0 percent increase on September 1, 2024, with a minimum of \$3,000 per annum increase for the Finance Commission of Texas agency staff, including the Commissioners. Will Lucas seconded, and the motion passed.	5:53 Start of Discussion 6:44 Vote
7. Discussion of and Possible Vote to Take Action Regarding Facility Planning and Real Property Matters Pursuant to §551.072, Texas Government Code: Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property	No Discussion.	n/a
8. Discussion of and Consultation with Attorney and Possible Vote to Take Action Pursuant to §551.071, Texas Government Code, for the Purpose of Seeking the Advice or Attorney-client Privileged Communications from our Attorneys, Including Matters Related to the Potential Financial Exposure of the Finance Commission Agencies and Their Officers and the Finance Commission and its Officers and Including Matters of Pending and Contemplated Litigation	No Discussion	n/a

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9. Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessment, or Security Assessments or Deployment Related to Information Resources Technology as Authorized by §§ 551.076 and 551.089, Texas Government Code	No Discussion.	n/a
10. Discussion of Matters Made Confidential by Law Pursuant to § 551.0811, Texas Government Code, including Information Relating to the Financial Condition or Business Affairs of a Financial Institution	No Discussion.	n/a
B. Department of Savings and Mortgage Lending		
1. Industry Status and Departmental Operations: a) Thrift Regulation Division Activities; b) Mortgage Regulation Division Activities; c) Operations Division Activities; d) Legal Division Activities, including Consumer Complaints and Gift Reporting; e) Legislative Activities	No Action required.	8:37 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 52, Concerning Charter Applications, Resulting from Rule Review	On Consent Agenda – Item B2 This item Approved on the Consent Agenda.	n/a
3. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 53, Concerning Additional Offices, Resulting from Rule Review	On Consent Agenda – Item B3 This item Approved on the Consent Agenda.	n/a
4. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 57, Concerning Change of Office Location or Name, Resulting from Rule Review	On Consent Agenda – Item B4 This item Approved on the Consent Agenda.	n/a
5. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 60, Concerning Savings Associations, Resulting from Rule Review	Debbie Scanlon made a motion to Approve the Adoption of New Rules in 7 TAC, Part 4, Chapter 60, Concerning Savings Associations, Resulting from Rule Review. Sharon McCormick seconded, and the motion passed.	29:06 Start of Discussion 30:34 Vote
6. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 61, Concerning Hearings, Resulting from Rule Review	On Consent Agenda – Item B6 This item Approved on the Consent Agenda.	n/a

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7. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 63, Concerning Fees and Charges, Resulting from Rule Review	On Consent Agenda – Item B7 This item Approved on the Consent Agenda.	n/a
8. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 64, Concerning Books, Records, Accounting Practices, Financial Statements, Reserves, Net Worth, Examinations, Complaints, Resulting from Rule Review	On Consent Agenda – Item B8 This item Approved on the Consent Agenda.	n/a
9. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 65, Concerning Loans and Investments, Resulting from Rule Review	On Consent Agenda – Item B9 This item Approved on the Consent Agenda.	n/a
10. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 67, Concerning Savings and Deposit Accounts, Resulting from Rule Review	On Consent Agenda – Item B10 This item Approved on the Consent Agenda.	n/a
11. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 69, Concerning Reorganization, Merger, Consolidation, Acquisition and Conversion, Resulting from Rule Review	On Consent Agenda – Item B11 This item Approved on the Consent Agenda.	n/a
12. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 71, Concerning Change of Control, Resulting from Rule Review	On Consent Agenda – Item B12 This item Approved on the Consent Agenda.	n/a
13. Discussion of and Possible Vote to Take Action on the Adoption of Rule Repeals in 7 TAC, Part 4, Chapter 73, Concerning Subsidiary Corporations, Resulting from Rule Review	On Consent Agenda – Item B13 This item Approved on the Consent Agenda.	n/a
14. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Action Required.	n/a
C. Texas Department of Banking		
1. Industry Status and Departmental Operations: a) Current Issues Affecting Department’s Regulated Entities; b) Bank and Trust Division Activities; c) Corporate Division Activities; d) Non-Depository Supervision Division Activities; e) Administrative, Staffing and Fiscal Division Activities; f) Strategic Support Division Activities including Consumer Complaint Data; g) Legal Division Activities including Enforcement Activity and Gift Reporting; and h) Legislative Activities	No Action Required.	31:11 Start of Discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
2. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 1, Chapter 9, Concerning Rules of Procedure for Contested Case Hearings, Appeals and Rulemakings, Resulting from Rule Review	On Consent Agenda – Item C2 This item Approved on the Consent Agenda.	n/a
3. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 1, Chapter 10, Concerning Contract Procedures, Resulting from Rule Review	On Consent Agenda – Item C3 This item Approved on the Consent Agenda.	n/a
4. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 2, Chapter 12, Concerning Loans and Investments, Resulting from Rule Review	On Consent Agenda – Item C4 This item Approved on the Consent Agenda.	n/a
5. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 2, Chapter 25, Concerning Prepaid Funeral Contracts, Resulting from Rule Review	On Consent Agenda – Item C5 This item Approved on the Consent Agenda.	n/a
6. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a
D. Office of Consumer Credit Commissioner		
1. Industry Status and Departmental Operations: a) Consumer Protection and Assistance Division Activities; b) Licensing Division Activities; c) Administration Division Activities; d) Financial Division Activities; and e) Legal Division Activities; and f) Legislative Activities	No Action Required.	1:12:46 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 5, Chapter 86, Concerning Retail Creditors	Vince Puente made a motion to Approve the Proposal and Publication for Comment of Amendments in 7 TAC, Part 5, Chapter 86, Concerning Retail Creditors. Will Lucas seconded, and the motion passed.	1:38:33 Start of Discussion 1:41:30 Vote
3. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation <i>Ernest Polk v. Texas Office of Consumer Credit Commissioner; Cause No. 01-22-00712-CV, in the First Court of Appeals, Houston, Texas</i>	No Discussion.	n/a

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:11 a.m. (1:42:50 on the audio file).

Phillip Holt, Chairman
Finance Commission of Texas

Charles G. Cooper, Executive Director
Finance Commission of Texas

Ruth Wright, Executive Assistant
Finance Commission of Texas