

MINUTES OF THE FINANCE COMMISSION MEETING Friday, April 19, 2024

The Finance Commission of Texas convened at 9:00 a.m., on Friday, April 19, 2024, with the following members present:

Finance Commission Members in Attendance:

Phillip Holt, Chairman	Sharon McCormick
George “Cliff” McCauley, Vice Chairman	Roselyn “Rosie” Morris
Bob Borochoff	Vince Puente
Marty Green	Laura Warren

Finance Commission Members Absent:

Hector Cerna	Will Lucas
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Commissioner Charles G. Cooper was absent. Texas Department of Banking Deputy Commissioner Wendy Rodriguez announced there was a quorum with eight (8) members present. *(1:09 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the February 16, 2024 Finance Committee Meeting	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	1:15 Start of Discussion
3. Consent Agenda – Items A1 and B2	Laura Warren made a motion to Approve Consent Agenda items A1 and B2. Marty Green seconded, and the motion passed.	1:51 Start of Discussion 2:08 Vote
4. Finance Commission Operations	No Action Required.	2:26 Start of Discussion
5. Audit Committee Report		
A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies’ 2024 Second Quarter Investment Officer Reports 1. Texas Department of Banking 2. Office of Consumer Credit Commissioner 3. Department of Savings and Mortgage Lending	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies’ 2024 Second Quarter Investment Officer Reports passed.	3:18 Start of Discussion 3:24 Vote

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<p>B. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2024 Second Quarter Financial Statements</p> <ol style="list-style-type: none"> 1. Texas Department of Banking 2. Office of Consumer Credit Commissioner 3. Department of Savings and Mortgage Lending 	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies' 2024 Second Quarter Financial Statements passed.</p>	<p>3:44 Start of Discussion</p> <p>3:51 Vote</p>
<p>6. Discussion of the Process for the 2025-2029 Strategic Plans for the Finance Commission Agencies</p>	<p>No Action Required.</p>	<p>4:04 Start of Discussion</p>
<p>7. Discussion of and Possible Vote to Take Action on the Finance Commission Agencies' Fiscal Year 2024 Mid-Term Accomplishment Reports</p>	<p>Marty Green made a motion to Approve the Finance Commission Agencies' Fiscal Year 2024 Mid-Term Accomplishment Reports. Bob Borochoff seconded, and the motion passed.</p>	<p>4:52 Start of Discussion</p> <p>5:03 Vote</p>
<p>8. Discussion of the Condition of the Texas State Banking System Report</p>	<p>No Action Required.</p>	<p>5:22 Start of Discussion</p>
<p>9. 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</p>	<p>No Discussion.</p>	<p>n/a</p>
<p>10. 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</p>	<p>No Discussion.</p>	<p>n/a</p>
<p>11. 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</p>	<p>No Discussion.</p>	<p>n/a</p>

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12. 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 Texas Government Code §§ 551.076 and 551.089	No Discussion.	n/a
13. Discussion of Matters Made Confidential by Law Pursuant to § 551.081, Texas Government Code, including Information Relating to the Financial Condition or Business Affairs of a Financial Institution	No Discussion.	n/a
B. 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; 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.	6:35 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 2, Chapter 35, Concerning Check Verification Entities, 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 Anticipated and Pending Litigation	No Action Required.	n/a
C. 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; 3) Legal Division Activities; and f) Legislative Activities	No Action Required.	20:32 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Proposal of Amendments in 7 TAC, Part 5, Chapter 86, Concerning Retail Creditors	Laura Warren made a motion to Approve the Proposal of Amendments in 7 TAC, Part 5, Chapter 86, Concerning Retail Creditors. Sharon McCormick seconded, and the motion passed. Vince Puente was the only opposing vote.	35:23 Start of Discussion 45:37 Vote

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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</i> , in the First Court of Appeals, Houston, Texas	No Discussion.	n/a
D. 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; and e) Legislative Activities	No Action Required.	46:05 Start of Discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation <i>Tim Schoenbauer v. Texas Department of Savings and Mortgage Lending; Cause No. JPC-23-02334-32</i> , in the Justice Court, Precinct 3, Place 2, Dallas County, Texas <i>Julius Lamunn North v. Texas Department of Savings and Mortgage Lending; Cause No. 2023-50470</i> , in the District Court, 270th Judicial District, Harris County, Texas	No Discussion.	n/a

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 10:01 a.m. (1:01:55 on the audio file).

/s/Phillip Holt

Phillip Holt, Chairman
Finance Commission of Texas

/s/Wendy Rodriguez

Wendy Rodriguez, Deputy Commissioner
Texas Department of Banking

/s/Ruth Wright

Ruth Wright, Executive Assistant
Finance Commission of Texas