

**MINUTES OF THE
FINANCE COMMISSION MEETING
Friday, June 21, 2024**

The Finance Commission of Texas convened at 9:00 a.m., on Friday, June 21, 2024, with the following members present:

Finance Commission Members in Attendance:

Phillip Holt, Chairman
Hector Cerna
Kathleen Fields

Marty Green
Troy Lambden
Sharon McCormick

David Osborn
Miguel Romano, Jr.
Laura Warren

Finance Commission Members Absent:

Bob Borochoff

Roselyn "Rosie" Morris

Commissioner Charles G. Cooper announced there was a quorum with nine (9) members present. *(2:29 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the April 19, 2024 Finance Commission Meeting	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	3:03 Start of Discussion
3. Consent Agenda – Items A1, A11, and D4	Laura Warren made a motion to Approve Consent Agenda items A1, A11, and D4. Marty Green seconded, and the motion passed.	3:14 Start of Discussion 3:29 Vote
4. Recognition of Previous Finance Commission Members – Will Lucas, Cliff McCauley, and Vince Puente	No Action Required.	4:00 Start of Discussion
5. Finance Commission Operations	No Action Required.	4:27 Start of Discussion
6. Audit Committee Report		
A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2024 Payroll and Human Resources 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 Texas Department of Banking's 2024 Payroll and Human Resources Report as Prepared and Presented by Garza/Gonzalez and Associates passed.	5:08 Start of Discussion 5:27 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
7. Strategic Planning Committee Report		
<p>A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2025-2029 Strategic Plans</p> <ol style="list-style-type: none"> 1. Department of Savings and Mortgage Lending 2. Texas Department of Banking 3. Office of Consumer Credit Commissioner 	<p>Marty Green made a motion to Approve the Department of Savings and Mortgage Lending's 2025-2029 Strategic Plan. Sharon McCormick seconded, and the motion passed.</p> <p>Marty Green made a motion to Approve the Texas Department of Banking's 2025-2029 Strategic Plan. Laura Warren seconded, and the motion passed.</p> <p>Laura Warren made a motion to Approve to the Office of Consumer Credit Commissioner's 2025-2029 Strategic Plan. Sharon McCormick seconded, and the motion passed.</p>	<p>5:44 Start of Discussion</p> <p>8:29 Vote</p> <p>8:47 Vote</p> <p>9:06 Vote</p>
<p>B. Discussion of the Finance Commission of Texas 2025-2029 Strategic Plan</p>	<p>No Action Required.</p>	<p>9:53 Start of Discussion</p>
<p>8. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 1, Chapter 9, §§ 9.1 and 9.12, Concerning Rules of Procedure for Contested Hearings, Appeals and Rulemakings</p>	<p>Marty Green made a motion to Approve to the Proposal and Publication for Comment of Amendments in 7 TAC, Part 1, Chapter 9, §§ 9.1 and 9.12, Concerning Rules of Procedure for Contested Hearings, Appeals and Rulemakings. Laura Warren seconded, and the motion passed.</p>	<p>12:30 Start of Discussion</p> <p>14:47 Vote</p>
<p>9. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 1, Chapter 10, § 10.40, Concerning Contract Procedures</p>	<p>Marty Green made a motion to Approve the Proposal and Publication for Comment of Amendments in 7 TAC, Part 1, Chapter 10, § 10.40, Concerning Contract Procedures. David Osborn seconded, and the motion passed.</p>	<p>15:17 Start of Discussion</p> <p>18:19 Vote</p>
<p>10. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 8, Chapter 151, Concerning Home Equity Lending Procedures, Resulting from Rule Review</p>	<p>Hector Cerna made a motion to Approve the Proposal and Publication for Comment of Amendments in 7 TAC, Part 8, Chapter 151, Concerning Home Equity Lending Procedures Resulting from Rule Review. Troy Lambden seconded, and the motion passed.</p>	<p>18:50 Start of Discussion</p> <p>22:34 Vote</p>

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
11. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 8, Chapter 151, Concerning Home Equity Lending Procedures, Chapter 152, Concerning Repair, Renovation and New Construction on Homestead Property, and Chapter 153, Concerning Home Equity Lending, Resulting from Rule Review	On Consent Agenda – Item A1 This item Approved on the Consent Agenda.	n/a
12. 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	No Discussion.	n/a
13. 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
14. 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
15. Discussion of and Consultation on Security Audit, Possible Issue Related to Confidential or Sensitive Information, Security Breach Audit and Assessments or Deployment Related to Information Resources Technology as Authorized by §§ 551.076 and 551.089, Texas Government Code	No Discussion.	n/a
16. 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

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
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; and e) Legislative Activities	No Action Required.	23:16 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, in the Justice Court, Precinct 3, Place 2, Dallas County, Texas</i>	No Discussion.	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.	44:43 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 2, Chapter 33, § 33.27, Concerning Fees to Obtain and Maintain a License	Marty Green made a motion to Approve the Proposal and Publication for Comment of Amendments in 7 TAC, Part 2, Chapter 33, § 33.27, Concerning Fees to Obtain and Maintain a License. Laura Warren seconded, and the motion passed.	1:14:24 Start of Discussion 1:27:20 Vote
3. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 2, Chapter 33, § 33.51, Concerning How to Provide Information to Customers on How to File a Complaint	Marty Green made a motion to Approve the Proposal and Publication for Comment of Amendments in 7 TAC, Part 2, Chapter 33, § 33.51, Concerning How to Provide Information to Customers on How to File a Complaint. Kathleen Fields seconded, and the motion passed.	1:28:03 Start of Discussion 1:29:28 Vote
4. Discussion and Possible Vote to Take Action on the Proposal and Publication for Comment of New 7 TAC, Part 2, § 33.81, Concerning Report Requirements for Digital Asset Service Providers	Marty Green made a motion to Approve the Proposal and Publication for Comment of New 7 TAC, Part 2, § 33.81, Concerning Report Requirements for Digital Asset Service Providers. Sharon McCormick seconded, and the motion passed.	1:29:57 Start of Discussion 1:34:01 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
5. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Action Required.	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; e) Legal Division Activities; and f) Legislative Activities	No Action Required.	1:34:32 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Adoption of Amendments in 7 TAC, Part 5, Chapter 83, Concerning Rules for Regulated Lenders	Laura Warren made a motion to Approve the Adoption of Amendments in 7 TAC, Part 5, Chapter 83, Concerning Rules for Regulated Lenders. Hector Cerna seconded, and the motion passed.	1:55:52 Start of Discussion 2:00:56 Vote
3. Discussion of and Possible Vote to Take Action on the Adoption of Amendments in 7 TAC, Part 5, Chapter 84, Concerning Motor Vehicle Installment Sales	Laura Warren made a motion to Approve the Adoption of Amendments in 7 TAC, Part 5, Chapter 84, Concerning Motor Vehicle Installment Sales. Troy Lambden seconded, and the motion passed	2:01:20 Start of Discussion 2:04:52 Vote
4. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 5, Chapter 87, Concerning Tax Refund Anticipation Loans, Resulting from Rule Review	On Consent Agenda – Item D4 This item approved on the Consent Agenda.	n/a
5. 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 Action Required.	n/a

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:07 p.m. (2:07:22 on the audio file).

/s/Phillip Holt

Phillip Holt, Chairman
Finance Commission of Texas

/s/Charles G. Cooper

Charles G. Cooper, Executive Director
Finance Commission of Texas

/s/Ruth Wright

Ruth Wright, Executive Assistant
Finance Commission of Texas