

**MINUTES OF THE  
FINANCE COMMISSION MEETING  
Friday, December 15, 2017**

The Finance Commission of Texas convened at 9:00 a.m. on December 15, 2017 with the following members present:

**Finance Commission Members in Attendance:**

Stacy G. London, Chairman  
Jay Shands, Vice Chairman  
Hector Cerna  
Molly Curl  
Phillip Holt  
Will Lucas  
Lori McCool  
Matt Moore  
Paul Plunket  
Vince Puente

Finance Commission Chairman Stacy G. London announced a quorum with ten members present. (00:15) start of discussion)

Stacy G. London made a motion to excuse Bob Borochoff from the Finance Commission meeting held on December 15, 2017. There were no objections and the motion passed unanimously. (00:35)

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<b>A. FINANCE COMMISSION MATTERS</b>		
1. Review and Approval of the Minutes of the October 20, 2017 Finance Commission Meeting	<b>On Consent Agenda – Item A1</b> This item Approved on the Consent Agenda.	2:10 start of discussion
2. General Public Comment	No Action Required.	2:25 start of discussion
3. Consent Agenda – Items A1, B2-B3, C3-C4, & D5-D8	Jay Shands made a motion to Approve Consent Agenda items A1, B2-B3, C3-C4, & D5-D8. Phillip Holt seconded and the motion passed.	2:32 start of discussion 3:01 vote
4. Finance Commission Operations	No Action Required.	3:29 start of discussion
5. Audit Committee Report		4:33 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2018 Internal Auditor's Risk Assessment and Audit Plan</p> <ol style="list-style-type: none"> <li>1. Office of Consumer Credit Commissioner</li> <li>2. Texas Department of Banking</li> <li>3. Department of Savings and Mortgage Lending</li> </ol>	<p>Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies' Fiscal Year 2018 Internal Auditor's Risk Assessment and Audit Plan passed.</p>	<p>4:38 start of discussion 4:46 vote</p>
<p>6. Study Committee Report</p>		<p>5:09 start of discussion</p>
<p>A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on Revisions of the Finance Commission's Policies and Procedures</p>	<p>Coming upon Recommendation from the Study Committee, no second is required and the motion to Approve the Revisions of the Finance Commission's Policies and Procedures as amended passed.</p>	<p>5:12 start of discussion 5:18 vote</p>
<p>7. Discussion of the Process for the 2019 – 2023 Strategic Plans for the Finance Commission Agencies</p>	<p>No Action Required</p>	<p>5:35 start of discussion</p>
<p>8. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of New 7 TAC, Part 1, §10.40 Concerning Enhanced Contract and Performance Monitoring; Website Posting</p>	<p>Molly Curl made a motion to Approve the Proposal and Publication for Comment of New 7 TAC, Part 1, §10.40 Concerning Enhanced Contract and Performance Monitoring; Website Posting as amended with the removal of subparagraph (E). Lori McCool seconded, and the motion passed.</p>	<p>10:29 start of discussion 13:43 vote</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>Deferred to Executive Session – no vote taken.</p>	<p>n/a</p>

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
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	Deferred to Executive Session – no vote taken.	n/a
11. Discussion 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	Deferred to Executive Session – no vote taken.	n/a
<b>B. OFFICE OF CONSUMER CREDIT COMMISSIONER</b>		
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.	14:16 start of discussion
2. <i>On Consent</i>	<b>On Consent Agenda – Item B2</b> This item Approved on the Consent Agenda.	n/a
3. <i>On Consent</i>	<b>On Consent Agenda – Item B3</b> This item Approved on the Consent Agenda.	n/a

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>4. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments and a Repeal in 7 TAC, Part 5, Chapter 88, Concerning Consumer Debt Management Services, Resulting from Rule Review</p>	<p>Jay Shands made a motion to Approve the Proposal and Publication for Comment of Amendments and a Repeal in 7 TAC, Part 5, Chapter 88, Concerning Consumer Debt Management Services, Resulting from Rule Review. Lori McCool seconded and the motion passed.</p>	<p>48:03 start of discussion 51:46 vote</p>
<p>5. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation</p> <p><i>Lynn Rowell d/b/a Beaumont Greenery, MPC Data and Communications, Inc., Micah Cooksey, NXT Properties, Inc., Mark Harken, Montgomery Chandler, Inc., Paula Cook, Townsley Designs, LLC, and Shonda Townsley v. Ken Paxton, in his official capacity as Attorney General of the State of Texas; Cause No. 1:14-cv-00190-LY, in the United States District Court, Western District of Texas, Austin Division</i></p>	<p>No Action Required</p>	<p>n/a</p>
<b>C. TEXAS DEPARTMENT OF BANKING</b>		
<p>1. Industry Status and Departmental Operations: a) Items of Interest from the Commissioner’s Office; b) Bank and Trust Division Activities; c) Corporate Division Activities; d) Special Audits Division Activities; e) Administrative and Fiscal Division Activities; f) Strategic Support Division Activities; g) Legal Division Activities; h) Legislative Activities; and i) General Items of Interest</p>	<p>No Action Required.</p>	<p>52:25 start of discussion</p>
<p>2. Discussion of and Possible Vote to Take Action on the Reappointment of Rebecca Ann Motley as the Consumer Representative and the Appointment of Amy Biggs as the Insurance Industry Representative to the Guaranty Fund Advisory Council for the Period January 1, 2018 to December 31, 2019</p>	<p>Matt Moore made a motion to approve the Reappointment of Rebecca Ann Motley as the Consumer Representative and the Appointment of Amy Biggs as the Insurance Industry Representative to the Guaranty Fund Advisory Council for the</p>	<p>1:18:32 start of discussion 1:19:43 vote</p>

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
	Period January 1, 2018 to December 31, 2019. Phillip Holt seconded and the motion passed.	
3. <i>On Consent</i>	<b>On Consent Agenda – Item C3</b> This item Approved on the Consent Agenda.	n/a
4. <i>On Consent</i>	<b>On Consent Agenda – Item C4</b> This item Approved on the Consent Agenda.	n/a
5. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Action Required.	n/a
<b>D. DEPARTMENT OF SAVINGS AND MORTGAGE LENDING</b>		
1. Industry Status and Departmental Operations – State Savings Bank Activity: a) Industry Status; b) State Savings Bank Charter and Application Activity; c) Other Items	No Action Required.	1:22:33 start of discussion
2. Industry Status and Departmental Operations – Mortgage Lending Activity: a) Residential Mortgage Loan Originators; b) Mortgage Examination; c) Consumer Complaints; and d) Other Items	No Action Required.	1:30:50 start of discussion
3. Fiscal/Operations Activity: a) Funding Status/Audits/Financial Reporting; b) Staffing; and c) Other Items	No Action Required.	n/a
4. Legal Activity: a) Enforcement; b) Gift Reporting; and c) Legislative Activities	No Action Required.	1:40:05 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
5. <i>On Consent</i>	<b>On Consent Agenda – Item D5.</b> This item Approved on the Consent Agenda.	n/a
6. <i>On Consent</i>	<b>On Consent Agenda – Item D6.</b> This item Approved on the Consent Agenda.	n/a
7. <i>On Consent</i>	<b>On Consent Agenda – Item D7.</b> This item Approved on the Consent Agenda.	n/a
8. <i>On Consent</i>	<b>On Consent Agenda – Item D8.</b> This item Approved on the Consent Agenda.	n/a
9. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No action Required.	n/a

Chairman Stacy G. London called for an Executive Session at 11:20 a.m. (1:44:48) on the audio file). The open meeting resumed at 12:50 p.m. (1:45:10) on the audio file).

There being no further business, Chairman Stacy G. London adjourned the meeting of the Finance Commission at 12:50 p.m. (1:45:22) on the audio file).

/s/Stacy G. London

Stacy G. London, Chairman  
Finance Commission of Texas

/s/Charles G. Cooper

Charles G. Cooper, Executive Director  
Finance Commission of Texas

/s/Anne Benites

Anne Benites, Executive Assistant  
Finance Commission of Texas