

**MINUTES OF THE
FINANCE COMMISSION MEETING
Friday, December 17, 2021**

The Finance Commission of Texas convened at 9:12 a.m., on Friday, December 17, 2021, with the following members present:

Finance Commission Members in Attendance:

Phillip Holt, Chairman	Will Lucas
George "Cliff" McCauley, Vice Chairman	Sharon McCormick
Robin Armstrong	Vince Puente
Bob Borochoff	Debbie Scanlon
Hector Cerna	Laura Warren
Larry Long	

Chairman Phillip Holt announced there was a quorum with 11 members present. *(1:11 on the audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
A. Finance Commission Matters		
1. Review and Approval of the Minutes of the October 15, 2021 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, A7, C2 and D2.	Laura Warren made a motion to Approve Consent Agenda items A1, A7, C2 and D2. Sharon McCormick seconded and the motion passed.	8:12 start of discussion 8:24 Vote
4. Recognition of Previous Finance Commission Members – Molly Curl, Stacy London, Lori McCool, and Paul Plunket	No Action Required.	1:51 start of discussion

Chairman Phillip Holt called for a break at 9:22 a.m. *(7:43 on the audio file)*. The open meeting resumed at 9:32 a.m. *(7:56 on the audio file)*.

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
5. Finance Commission Operations	No Action Required.	8:47 start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
6. Audit Committee Report		
A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' Fiscal Year 2022 Internal Auditor's Risk Assessment and Audit Plan 1. Department of Savings and Mortgage Lending 2. Texas Department of Banking 3. Office of Consumer Credit Commissioner	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Agencies' Fiscal Year 2022 Internal Auditor's Risk Assessment and Audit Plan passed.	12:30 start of discussion 12:45 Vote
B. Discussion of and Possible Vote to Recommend the Finance Commission Take Action on the Appointment and Reappointment of Grant Advisory Committee Members	Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Appointment and Reappointment of Grant Advisory Committee Members Linda Davis-Demas and Laura Rosen respectively.	12:57 start of discussion 13:09 Vote
7. Discussion of and Possible Vote to Take Action on the Adoption of Amendments to 7 TAC, Part 8, Chapter 153, Concerning Home Equity Lending	On Consent Agenda – Item A7 This item Approved on the Consent Agenda.	n/a
8. Discussion of and Possible Vote to Take Action Regarding Personnel Matters Pursuant to §551.074, Texas Government Code: Deliberations with Respect to the Appointment of a New Department of Savings and Mortgage Lending Commissioner	No Discussion.	n/a
9. Discussion of and Possible Vote to Take Action 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
10. 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

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
11. 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 Tex. Govt. Code Secs. 551.076 and 551.089	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; and e) Legislative Activities	No Action Required.	13:35 Start of discussion
2. Discussion of and Possible Vote to Take Action on the Adoption of Amendments of New Rules in 7 TAC, Part 4, Chapter 78, Concerning Wrap Mortgage Loans	Laura Warren made a motion to Approve the Adoption of Amendments of New Rules in 7 TAC, Part 4, Chapter 78, Concerning Wrap Mortgage Loans. Sharon McCormick seconded and the motion passed.	26:07 start of discussion 28:14 Vote
3. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	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.	28:50 Start of discussion

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
2. Discussion of and Possible Vote to Take Action on the Reappointment of Rebecca Ann Motley as the Consumer Representative and the Reappointment of Amy Biggs as the Insurance Industry Representative to the Guaranty Fund Advisory Council for the Period January 1, 2022 to December 21, 2023	On Consent Agenda – Item C2 This item Approved on the Consent Agenda	n/a
3. 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; e) Legal Division Activities; and f) Legislative Activities	No Action Required.	54:03 start of discussion
2. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Part 5, Chapter 88, Concerning Consumer Debt Management Services, Resulting from Rule Review	On Consent Agenda – Item D2 This item Approved on the Consent Agenda	n/a
3. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments to 7 TAC, Part 5, Chapter 85, Subchapter B, Concerning Rules for Crafted Precious Metal Dealers	Laura Warren made a motion to Approve the Proposal and Publication for Comment of Amendments to 7 TAC, Part 5, Chapter 85, Subchapter B, Concerning Rules for Crafted Precious Metal Dealers. Robin Armstrong seconded and the motion passed.	1:15:14 start of discussion 1:17:35 Vote
4. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments to 7 TAC, Part 5, Chapter 88, Concerning Consumer Debt Management Services, Resulting from Rule Review	Larry Long made a motion to Approve the Proposal and Publication for Comment of Amendments to 7 TAC, Part 5, Chapter 88, Concerning Consumer Debt Management Services, Resulting from Rule Review. Will Lucas seconded and the motion passed.	1:18:01 start of discussion 1:22:32 Vote
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. 2018-04375, in the 281st Judicial District Court of Harris County, Texas</i>	No Discussion.	n/a

Chairman Phillip Holt called for an Executive Session at 10:48 a.m. (1:24:22 on the audio file). The open meeting resumed at 11:05 a.m. (1:25:01 on the audio file).

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:06 a.m. (1:26:08 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