

**MINUTES OF THE  
FINANCE COMMISSION MEETING  
Friday, October 25, 2024**

The Finance Commission of Texas convened at 9:00 a.m., on Friday, October 25, 2024, with the following members present:

**Finance Commission Members in Attendance:**

Phillip Holt, Chairman	Kathleen Fields	Sharon McCormick
Laura Warren, Vice Chairman	Martin “Marty” Green	Roselyn “Rosie” Morris
Bob Borochoff	Troy Lambden	David Osborn

**Finance Commission Members Absent:**

Hector Cerna	Roselyn “Rosie” Morris	Miguel Romano
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Commissioner Charles G. Cooper announced there was a quorum with eight (8) members present. *(1:03 on audio file).*

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<b>A. Finance Commission Matters</b>		
1. Review and Approval of the Minutes of the August 16, 2024 Finance Committee Meeting	<b>On Consent Agenda – Item A1</b> This item Approved on the Consent Agenda.	n/a
2. General Public Comment	No Action Required.	1:12 Start of Discussion
3. Consent Agenda – Items A1, A8, C3, D2 and D6-D10	Laura Warren made a motion to Approve Consent Agenda items A1, A8, C3, D2, D6-D10. Kathleen Fields seconded, and the motion passed.	1:48 Start of Discussion  2:02 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 Fourth 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 Fourth Quarter Investment Officer Reports passed.	3:34 Start of Discussion  3:44 Vote

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
<p>B. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Agencies' 2024 Fourth Quarter Financial Statements</p> <ol style="list-style-type: none"> <li>1. Texas Department of Banking</li> <li>2. Office of Consumer Credit Commissioner</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' 2024 Fourth Quarter Financial Statements passed.</p>	<p>4:00 Start of Discussion</p> <p>4:08 Vote</p>
<p>C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Education Endowment Fund</p>	<p>No Action Required.</p>	<p>n/a</p>
<p>6. Discussion of the Condition of the Texas State Banking System</p>	<p>No Action Required.</p>	<p>4:34 Start of Discussion</p>
<p>7. Discussion of and Possible Vote to Take Action on the Accomplishment Reports for Fiscal Year 2024 for the Commissioners of the Texas Department of Banking, the Office of Consumer Credit Commissioner and the Department of Savings and Mortgage Lending</p>	<p>Laura Warren made a motion to Approve the Accomplishment Report for Fiscal Year 2024 for the Commissioner of the Texas Department of Banking. Troy Lambden seconded, and the motion passed.</p> <p>David Osborn made a motion to Approve the Accomplishment Report for Fiscal Year 2024 for the Commissioner of the Office of Consumer Credit Commissioner. Laura Warren seconded, and the motion passed.</p> <p>Marty Green made a motion to Approve the Accomplishment Report for Fiscal Year 2024 for the Commissioner of the Department of Savings and Mortgage Lending. Troy Lambden seconded, and the motion passed.</p>	<p>52:59 Start of Discussion</p> <p>53:18 Vote</p> <p>53:41 Vote</p> <p>54:02 Vote</p>
<p>8. Discussion of and Possible Vote to Take Action on the Adoption of Amendments in 7 TAC, Part 8, Chapter 151, Concerning Home Equity Lending Procedures, Resulting from Rule Review</p>	<p><b>On Consent Agenda – Item A8</b>  This item Approved on the Consent Agenda.</p>	<p>n/a</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>

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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	No Discussion.	n/a
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	No Discussion.	n/a
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 §§ 551.076 and 551.089, Texas Government Code	No Discussion.	n/a
13. 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>B. Texas Department of Banking</b>		
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.	54:31 Start of Discussion
2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation	No Discussion.	n/a

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<b>C. 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.	1:22:07 Start of Discussion
2. 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, Resulting from Rule Review	Laura Warren made a motion to Approve the Adoption of Amendments of 7 TAC, Part 5, Chapter 84, Concerning Motor Vehicle Installment Sales, Resulting from Rule Review. Sharon McCormick seconded, and the motion passed.	1:36:58 Start of Discussion  1:43:35 Vote
3. Discussion of and Possible Vote to Take Action on the Readoption of 7 TAC, Chapter 7, Concerning the Texas Financial Education Endowment Fund, Resulting from Rule Review	<b>On Consent Agenda – Item C3</b> This item Approved on the Consent Agenda.	n/a
4. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 1, Chapter 7, Concerning Texas Financial Education Endowment Fund, Resulting from Rule Review	Kathleen Fields made a motion to Approve the Proposal and Publication for Comment of Amendments of 7 TAC, Part 1, Chapter 7, Concerning Texas Financial Education Endowment Fund, Resulting from Rule Review. Troy Lambden seconded, and the motion passed.	1:43:57 Start of Discussion  1:46:52 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. 01-22-00712-CV, in the First Court of Appeals, Houston, Texas</i>	No Action Required.	n/a
<b>D. Department of Savings and Mortgage Lending</b>		
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.	1:47:22 Start of Discussion
2. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 55, Concerning Residential Mortgage Loan Originators, Resulting from Rule Review	<b>On Consent Agenda – Item D2</b> This item Approved on the Consent Agenda.	n/a

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
3. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 56, Concerning Residential Mortgage Loan Companies, Resulting from Rule Review	Bob Borochoff made a motion to Approve the Adoption of New Rules in 7 TAC, Part 4, Chapter 56, Concerning Residential Mortgage Loan Companies, Resulting from Rule Review. Sharon McCormick seconded, and the motion passed.	1:59:48 Start of Discussion  2:09:47 Vote
4. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 57, Concerning Mortgage Bankers, Resulting from Rule Review	Marty Green made a motion to Approve the Adoption of New Rules in 7 TAC, Part 4, Chapter 57, Concerning Mortgage Bankers, Resulting from Rule Review. Troy Lambden seconded, and the motion passed.	2:10:14 Start of Discussion  2:10:56 Vote
5. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 58, Concerning Residential Mortgage Loan Servicers, Resulting from Rule Review	Kathleen Fields made a motion to Approve the Adoption of New Rules in 7 TAC, Part 4, Chapter 58, Concerning Residential Mortgage Loan Servicers, Resulting from Rule Review. Troy Lambden seconded, and the motion passed.	2:11:21 Start of Discussion  2:12:02 Vote
6. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 59, Concerning Wrap Mortgage Loans, Resulting from Rule Review	<b>On Consent Agenda – Item D6</b> This item Approved on the Consent Agenda.	n/a
7. Discussion of and Possible Vote to Take Action on the Adoption of Repeals in 7 TAC, Part 4, Chapter 78, Concerning Wrap Mortgage Loans, Resulting from Rule Review	<b>On Consent Agenda – Item D7</b> This item Approved on the Consent Agenda.	n/a
8. Discussion of and Possible Vote to Take Action on the Adoption of Repeals in 7 TAC, Part 4, Chapter 79, Concerning Residential Mortgage Loan Servicers, Resulting from Rule Review	<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 the Adoption of Repeals in 7 TAC, Part 4, Chapter 80, Concerning Residential Mortgage Loan Companies, Resulting from Rule Review	<b>On Consent Agenda – Item D9</b> This item Approved on the Consent Agenda.	n/a

AGENDA ITEM	ACTION	LOCATION ON AUDIO FILE
10. Discussion of and Possible Vote to Take Action on the Adoption of Repeals in 7 TAC, Part 4, Chapter 81, Concerning Mortgage Bankers and Residential Mortgage Loan Originators, Resulting from Rule Review	<b>On Consent Agenda – Item D10</b> This item Approved on the Consent Agenda.	n/a
11. Discussion of and Possible Vote to Take Action on the 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 Action Required.	n/a

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:13 a.m. (2:13:17 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