

# MINUTES OF THE FINANCE COMMISSION MEETING Friday, June 20, 2025

The Finance Commission of Texas convened at 10:08 a.m., on Friday, June 20, 2025, with the following members present:

**Finance Commission Members in Attendance:**

|                             |                      |                    |
|-----------------------------|----------------------|--------------------|
| Phillip Holt, Chairman      | Hector Cerna         | Sharon McCormick   |
| Laura Warren, Vice Chairman | Kathleen Fields      | David Osborn       |
| Bob Borochoff               | Martin “Marty” Green | Miguel Romano, Jr. |

**Finance Commission Members Absent:**

|                        |              |
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| Roselyn “Rosie” Morris | Troy Lambden |
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Commissioner Charles G. Cooper announced there was a quorum with nine members present. *(1:05 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 April 25, 2025 Finance Committee Meeting  | <b>On Consent Agenda – Item A1</b><br>This item Approved on the Consent Agenda.  | n/a   |
| 2. General Public Comment  | No Action Required.  | 1:22<br>Start of Discussion                     |
| 3. Consent Agenda – Items A1, and B2-B4  | Laura Warren made a motion to Approve Consent Agenda items A1, and B2-B4. Kathleen Fields seconded, and the motion passed.   | 1:47<br>Start of Discussion<br><br>2:07<br>Vote |
| 4. Finance Commission Operations   | No Action Required.  | 2:25<br>Start of Discussion                     |
| <b>5. Audit Committee Report</b>   |  |   |
| A. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking’s 2025 Revenue Processing Audit and Follow-Up on Prior Year Recommendations 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 2025 Revenue Processing Audit and Follow-Up on Prior Year Recommendations Report as Prepared and Presented by Garza/Gonzales and Associates passed. | 3:51<br>Start of Discussion<br><br>4:09<br>Vote |

| AGENDA ITEM   | ACTION   | LOCATION ON AUDIO FILE                          |
|---|--|---|
| B. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Department of Banking's 2025 Annual Internal Audit 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 2025 Annual Internal Audit Report as Prepared and Presented by Garza/Gonzalez and Associates passed.      | 4:22<br>Start of Discussion<br><br>4:32<br>Vote |
| C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Activities of the Texas Financial Education Endowment Fund   | No Action Required.  | n/a   |
| D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2026-2027 Funding Priorities  | Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve the Revised Texas Financial Education Endowment Fund Grant Administration & Advisory Policy Manual and 2026-2027 Funding Priorities passed. | 4:46<br>Start of Discussion<br><br>4:59<br>Vote |
| E. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Approve an Amount for the Upcoming 2026-2027 Grant Cycle for the Texas Financial Education Endowment   | Coming upon Recommendation from the Audit Committee, no second is required and the motion to Approve \$850,000 for the Upcoming 2026-2027 Grant Cycle for the Texas Financial Education Endowment passed.  | 5:14<br>Start of Discussion<br><br>5:42<br>Vote |
| 6. 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   |
| 7. 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   |

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|--|---|-----------------------------|
| 8. 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                         |
| 9. 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                         |
| 10. 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. 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) Strategic Projects, Initiatives, and Information Resources; e) Legal Division Activities, including Consumer Complaints and Gift Reporting; and f) Legislative Activities  | No Action Required.   | 6:11<br>Start of Discussion |
| 2. Discussion of and Possible Vote to Take Action on the Adoption of Amendments, New Rules and Repeals in 7 TAC, Part 4, Chapter 51, Department Administration, Resulting from Rule Review   | <b>On Consent Agenda – Item B2</b><br>This item Approved on the Consent Agenda. | n/a                         |
| 3. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 52, Mortgage Grant Fund, Resulting from Rule Review   | <b>On Consent Agenda – Item B3</b><br>This item Approved on the Consent Agenda. | n/a                         |

| AGENDA ITEM  | ACTION  | LOCATION ON AUDIO FILE                            |
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| 4. Discussion of and Possible Vote to Take Action on the Adoption of New Rules in 7 TAC, Part 4, Chapter 53, Recovery Claims, Resulting from Rule Review   | <b>On Consent Agenda – Item B4</b><br>This item Approved on the Consent Agenda.   | n/a   |
| 5. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation  | No Discussion.  | n/a   |
| <b>C. 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.   | 23:57<br>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 1, Chapter 3, § 3.36, Concerning Special Examination and Investigation Fees for State Banks   | No Discussion.  | n/a   |
| 3. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of Amendments in 7 TAC, Part 2, Chapter 17, § 17.22, Concerning Examination and Investigation Fees for State Trust Companies   | No Discussion   | n/a   |
| 4. Discussion of and Possible Vote to Take Action on the Proposal and Publication for Comment of New 7 TAC, Part 2, Chapter 33, § 33.55, Concerning Clarification of Texas Finance Code § 152.004(9)   | Laura Warren made a motion to Approve the Proposal and Publication for Comment of New 7 TAC, Part 2, Chapter 33, § 33.55, Concerning Clarification of Texas Finance Code § 152.004(9). Marty Green seconded, and the motion passed. | 44:43<br>Start of Discussion<br><br>47:18<br>Vote |

| AGENDA ITEM   | ACTION              | LOCATION ON AUDIO FILE       |
|---|---------------------|------------------------------|
| 5. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation<br><br><i>Anthony Hrcir v. Internal Revenue Service, the Texas Department of Banking, et al.; Cause No. 4:24-cv-00692-SDJ-AGD, United States District Court, Eastern District of Texas</i><br><br><i>Ifeoluwa Adeuusi v. State of Texas, the Texas Department of Banking, et al.; Cause No. JP07-24-SC00011762, Small Claims Court, Tarrant County, Texas</i> | No Action Required. | n/a                          |
| <b>D. 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; and e) Legal Division Activities; and f) Legislative Activities   | No Action Required. | 47:51<br>Start of Discussion |
| 2. Discussion of and Possible Vote to Take Action on Anticipated and Pending Litigation   | No Discussion.      | n/a                          |

There being no further business, Chairman Phillip Holt adjourned the meeting of the Finance Commission at 11:20 a.m. (1:11:50 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