

**CREDIT UNION COMMISSION
MEETING MINUTES
AUGUST 12, 2015**

A. CALL TO ORDER - ASCERTAIN A QUORUM – Chairman Manuel “Manny” Cavazos declared that a quorum was present and called the meeting to order at 11:03 a.m. in the conference room of the Credit Union Department office, Austin, Texas, pursuant to Chapter 551 of the Government Code. Other members present included Beckie Stockstill Cobb, Yusuf Farran, Steve Gilman, Sherri Merket, Allyson Morrow, Gary Tuma, and Vik Vad. Kay Stewart was absent due to a schedule conflict. Assistant Attorney General Zindia Thomas was in attendance to serve as legal counsel. Representing the Department staff were Harold E. Feeney, Commissioner, Robert N. Baxter, Deputy Commissioner, and Shari Shivers, Assistant Commissioner and General Counsel. Chairman Cavazos appointed Isabel Velasquez as Recording Secretary. The Chair inquired and the Commissioner confirmed that the notice of the meeting was properly posted (**July 31, 2015, TRD#2015005198**). Without objection, the Chair reserved the right to rearrange agenda items as necessary.

- ❖ **INVITATION FOR PUBLIC INPUT FOR FUTURE CONSIDERATION** – Chairman Cavazos invited public input on matters that were not scheduled items on today’s agenda for possible future consideration by the Commission. No public comments were received.

- ❖ **RECEIVE REQUESTS AND MOTIONS FOR EXCUSED ABSENCES** – Chairman Cavazos inquired if there were any requests or motions to excuse an absence. Ms. Merket moved to excuse Kay Stewart from the Commission meeting on August 12, 2015. Mr. Vad seconded the motion, and the motion was unanimously adopted.

B. RECEIVE MINUTES OF PREVIOUS MEETING (June 19, 2015). The Chairman referred the members to the draft minutes contained in the agenda packet. Ms. Morrow moved for approval of the minutes of June 19, 2015 as presented. Ms. Merket seconded the motion, and the motion was unanimously adopted.

C. NEW BUSINESS

The Chairman indicated that he planned to rearrange the agenda order to move the designation of a Vice Chair and committee appointments to next item of business. There was no objection.

(d) Discussion of the Chair's Designation of a Vice Chair and Appointments to the Commission's Two Standing. Chairman Cavazos noted that as stipulated in Commission Policy, the Chair was appointing Missy Morrow as Vice Chair of the Commission. Mr. Cavazos also designated members to serve on the two standing committees. He noted that the minutes should reflect the following appointments:

Rules Committee:

Vik Vad, Chair
Kay Stewart, Vice Chair
Steve Gilman
Yusuf Farran
Gary Tuma

Commissioner Evaluation Committee:

Sherri Merket, Chair
Missy Morrow, Vice Chair
Beckie Stockstill Cobb
Kay Stewart
Gary Tuma

(a) Discussion of and Possible Vote to Recommend that the Credit Union Commission Approve for Publication and Comment the Proposed New Subchapter K of 7 TAC, Chapter 91 Concerning Credit Union Development Districts. Commissioner Feeney explained that during the 84th Regular Session, HB 1626 was passed and signed into law by Governor Abbott. Mr. Feeney

indicated that the bill directs the Commission to administer and monitor a credit union development district program to encourage the establishment of credit union branches in areas where there is a demonstrated need for such financial services. The bill requires the Commission, in consultation with the Texas Economic Development and Tourism Office to adopt rules regarding the criteria for the designation of credit union development districts, and requires the Commission to initially adopt these rules not later than January 1, 2016. (The Finance Commission is similarly required to administer and monitor a banking development district program and adopt rules not later than January 1, 2016.) Commissioner Feeney briefly highlighted the proposed seven new rules which describe the procedures for establishment of credit union development districts.

The Chair opened the floor for comments or questions from the public on the proposed new rules.

Jeff Huffman, Vice President Government Relations, Cornerstone Credit Union League – Mr. Huffman indicated that the development districts should be good for credit unions and local governments alike. He voiced some questions and concerns regarding the programs implementation, especially with regarding to the banking development districts that the Finance Commission will administer; however, he noted that he is still talking to the Association's members and was not sure whether the Association would have any suggested changes or comments.

After some discussion among the members, Mr. Tuma moved that the Commission approve for publication and comment in the *Texas Register* the proposed new 7 TAC Sections 91.2000, 91.2001, 91.2002, 91.2003, 91.2004, 91.2005, and 91.2006 related to credit union development districts. Ms. Stockstill Cobb seconded the motion and the motion was unanimously adopted.

(b) Discussion of and Possible Vote to Recommend that the Credit Union Commission Approve for Publication and Comment the Proposed New 7 TAC Section 97.206 Concerning Posting of Certain Contracts and Enhanced Contract and Performance Monitoring. Commissioner Feeney explained that the proposed new rule was in response to Senate Bill 20 enacted by the 84th Legislature. The bill requires each state agency by rule to establish a procedure to identify contracts that require enhanced contract or performance monitoring and prescribes certain reporting requirements. Mr. Feeney briefly highlighted the provisions of the proposed new rule.

After a short discussion, Ms. Merket moved that the Commission approve for publication and comment in the *Texas Register* the proposed new 7 TAC Section 97.206 concerning enhanced contracts and performance monitoring. Ms. Morrow seconded the motion and the motion was unanimously adopted.

(c) Discussion of and Possible Vote to Adopt Resolutions of Appreciation for Outgoing Commission Members Gary L. Janacek, Rob Kyker, and A. John Yoggerst. Chairman Cavazos noted that in accordance with Section VII of the Commission's Policies Manual, it is the practice of the Commission to adopt a resolution of appreciation to recognize the service of members upon the completion of their term of office. After a short discussion, Mr. Vad moved to approve the Resolutions of Appreciation for Outgoing Commission Members Gary L. Janacek, Rob Kyker and A. John Yoggerst as presented and directed that a copy of the appropriate resolutions be given to the three former members as a token of our appreciation. Mr. Tuma seconded the motion and the motion was unanimously adopted.

(d) Next Commission Meeting - Chair Cavazos reminded everyone that the next regular meeting of the Commission has been tentatively scheduled for October 16, 2015 at 8:00 a.m. in Austin.

ADJOURNMENT – There being no further business for the Credit Union Commission, Chairman Cavazos adjourned the meeting at 11:34 a.m.

Manuel “Manny” Cavazos
Chair

Isabel Velasquez
Recording Secretary

Distribution:

Legislative Reference Library