

By: Lambert, Canales, Paddie, Goldman,
Cyrier

H.B. No. 1840

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Credit Union
Department and the Credit Union Commission.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 15, Finance Code, is
amended by adding Section 15.104 to read as follows:

Sec. 15.104. NOTIFICATION AND GUIDANCE ON ADOPTION OF
CERTAIN FEDERAL LAWS OR REGULATIONS. The department shall promptly
notify and issue guidance to all credit unions chartered in this
state on the adoption of a federal law or regulation that:

(1) affects a power or authority conferred to credit
unions under Section 123.003(a);

(2) takes effect immediately; and

(3) conflicts with state law.

SECTION 2. Section 15.2041, Finance Code, is amended by
amending Subsection (b) and adding Subsection (d) to read as
follows:

(b) The training program must provide the person with
information regarding:

(1) the law governing department operations
~~[legislation that created the department];~~

(2) the programs, functions, rules, and budget of the
department;

(3) the scope of and limitations on the rulemaking

1 authority of the commission;

2 (4) the results of the most recent formal audit of the
3 department;

4 (5) [~~(4)~~] the requirements of:

5 (A) laws relating to open meetings, public
6 information, administrative procedure, and disclosing conflicts of
7 interest; and

8 (B) other laws applicable to members of a state
9 policy-making body in performing their duties; and

10 (6) [~~(5)~~] any applicable ethics policies adopted by
11 the department or the Texas Ethics Commission[~~, and~~

12 [~~(6) the basic principles and responsibilities of~~
13 ~~credit union management]~~.

14 (d) The commissioner shall create a training manual that
15 includes the information required by Subsection (b). The
16 commissioner shall distribute a copy of the training manual
17 annually to each commission member. Each commission member shall
18 sign and submit to the commissioner a statement acknowledging that
19 the commission member received and has reviewed the training
20 manual.

21 SECTION 3. Section 15.212, Finance Code, is amended to read
22 as follows:

23 Sec. 15.212. SUNSET PROVISION. The Credit Union Department
24 and the Credit Union Commission are subject to Chapter 325,
25 Government Code (Texas Sunset Act). Unless continued in existence
26 as provided by that chapter, the department and commission are
27 abolished September 1, 2033 [~~2021~~].

1 SECTION 4. Sections 15.409(b), (c), and (d), Finance Code,
2 are redesignated as Section 15.408, Finance Code, and amended to
3 read as follows:

4 Sec. 15.408. CONSUMER COMPLAINTS. (a) [~~(b)~~] The
5 department shall maintain a system to promptly and efficiently act
6 on complaints filed with the department. The department shall
7 maintain information about parties to the complaint, the subject
8 matter of the complaint, a summary of the results of the review or
9 investigation of the complaint, and its disposition.

10 (b) [~~(c)~~] The department shall make information available
11 describing its procedures for complaint investigation and
12 resolution.

13 (c) [~~(d)~~] The department shall periodically notify the
14 complaint parties [~~person filing the complaint and each person who~~
15 ~~is the subject of the complaint~~] of the status of the complaint
16 until final disposition unless the notice would jeopardize an
17 investigation.

18 SECTION 5. Subchapter E, Chapter 15, Finance Code, is
19 amended by adding Section 15.4081 to read as follows:

20 Sec. 15.4081. COMPLAINT TRACKING; ANNUAL STATISTICAL
21 ANALYSIS. (a) To help identify and address regulatory issues and
22 constraints, the department shall track all phases of the complaint
23 and enforcement processes, including the receipt, investigation,
24 and disposition of complaints. The department shall maintain the
25 following information for each complaint:

- 26 (1) the basis for the complaint;
27 (2) the origin of the complaint, including whether the

1 complaint was issued from:

2 (A) another regulatory agency;

3 (B) a credit union member;

4 (C) a credit union employee;

5 (D) a member of the public; or

6 (E) a public or private entity;

7 (3) the number of days taken to resolve the complaint
8 from the date the complaint was received; and

9 (4) the disposition of the complaint, including:

10 (A) if no disciplinary action was taken, the
11 reasons no disciplinary action was taken;

12 (B) if disciplinary action was taken, the type of
13 disciplinary action taken, including the amount of any
14 administrative penalty or late fee;

15 (C) if dismissed or referred to another agency,
16 the details regarding dismissal or referral; and

17 (D) if ongoing, the current status of the
18 complaint.

19 (b) The department shall annually compile a statistical
20 analysis of the department's complaint and enforcement processes
21 for the preceding fiscal year. The analysis must include:

22 (1) the total number of complaints filed with the
23 department against credit unions;

24 (2) the number of open investigations at the end of the
25 fiscal year;

26 (3) the number of complaints that were resolved,
27 disaggregated by:

- 1 (A) the source of the complaint;
2 (B) the type of alleged violation;
3 (C) jurisdictional and non-jurisdictional
4 complaints;
5 (D) regulatory and nonregulatory complaints; and
6 (E) the disposition and type of action taken,
7 including any administrative penalty or late fee assessed; and
8 (4) the average number of days taken to resolve a
9 complaint, including complaints that were resolved through an
10 examination of a credit union.

11 SECTION 6. The heading to Section 15.409, Finance Code, is
12 amended to read as follows:

13 Sec. 15.409. CONSUMER INFORMATION [~~AND COMPLAINTS~~].

14 SECTION 7. Section 122.001(d), Finance Code, is repealed.

15 SECTION 8. The repeal of Section 122.001(d), Finance Code,
16 by this Act applies only to articles of incorporation filed on or
17 after the effective date of this Act. Articles of incorporation
18 filed before the effective date of this Act are governed by the law
19 in effect on the date the articles were filed, and the former law is
20 continued in effect for that purpose.

21 SECTION 9. (a) Except as provided by Subsection (b) of this
22 section, Section 15.2041, Finance Code, as amended by this Act,
23 applies to a member of the Credit Union Commission appointed
24 before, on, or after the effective date of this Act.

25 (b) A member of the Credit Union Commission who, before the
26 effective date of this Act, completed the training program required
27 by Section 15.2041, Finance Code, as that law existed before the

1 effective date of this Act, is only required to complete additional
2 training on the subjects added by this Act to the training program
3 required by Section 15.2041, Finance Code. A commission member
4 described by this subsection may not vote, deliberate, or be
5 counted as a member in attendance at a meeting of the commission
6 held on or after December 1, 2021, until the member completes the
7 additional training.

8 SECTION 10. This Act takes effect September 1, 2021.