

ADOPTED RULES

Adopted rules include new rules, amendments to existing rules, and repeals of existing rules. A rule adopted by a state agency takes effect 20 days after the date on which it is filed with the Secretary of State unless a later date is required by statute or specified in the rule (Government Code, §2001.036). If a rule is adopted without change to the text of the proposed rule, then the *Texas Register* does not republish the rule text here. If a rule is adopted with change to the text of the proposed rule, then the final rule text is included here. The final rule text will appear in the Texas Administrative Code on the effective date.

TITLE 7. BANKING AND SECURITIES

PART 6. CREDIT UNION DEPARTMENT

CHAPTER 91. CHARTERING, OPERATIONS, MERGERS, LIQUIDATIONS

SUBCHAPTER A. GENERAL RULES

7 TAC §91.101

The Credit Union Commission (the Commission) adopts the amendments to Texas Administrative Code, Title 7, Chapter 91, Subchapter A, §91.101, concerning definitions and interpretations, with no changes to the adopted text as published in the April 4, 2025, issue of the *Texas Register* (50 TexReg 2293). The rule will not be republished.

The amended rule amends definition of the term "Unifying Characteristics" and adds a definition for "Political Subdivision". The amendment renumbers subsequent definitions to accommodate the newly added definition.

The Commission received one written comment in support of the proposed amendments to the rule from Gevon Calix with First Service Credit Union.

The rule changes are adopted under Texas Finance Code, Section 15.402, which authorizes the Commission to adopt reasonable rules for administering Texas Finance Code, Title 2, Chapter 15 and Title 3, Subtitle D.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Michael S. Riepen

Commissioner

Credit Union Department

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For further information, please call: (512) 837-9236



CHAPTER 97. COMMISSION POLICIES AND ADMINISTRATIVE RULES

SUBCHAPTER B. FEES

7 TAC §97.113

The Credit Union Commission (Commission) adopts amendments to §97.113, concerning fees and charges, with changes to the text published in the April 4, 2025, issue of the *Texas Register* (50 TexReg 2296), and will be republished.

The amendments are adopted as a result of the Department's general rule review.

The Commission received four written comments from Tim Miller with Cooperative Teachers Credit Union, Melodie Durst with Credit Union Coalition of Texas, Gevon Calix with First Service and Suzanne Yashewski with Cornerstone League both in support of or in opposition with respect to selected portions of proposed amendments as detailed below. In response to the comments the proposed amendment is withdrawn, in part.

Organizing the rule to keep subparts addressing a specific type of fee grouped together.

Two comments were received supporting reorganizing the rule. There were no comments received in opposition to these amendments.

Increases supplemental examination fees from \$50.00 hourly to \$100.00 hourly.

One comment opposed the increase in the fees specifically noting they felt the increase to be arbitrary. Three other comments submitted did not address the fee increase.

In support of the amount, the Department reviewed similar authority provided to the Texas Department of Banking, allowing for specialty examination fees as outlined in 7 Texas Administrative Code §3.36(h)(2). Their rule allows for a rate not to exceed \$110.00 per examiner hour and any actual travel expense incurred. The current proposal is less than this amount and will include any travel expenses. This proposed fee continues to be less than comparative fees.

For additional support, the Department calculates the average hourly costs of field staff and travel to be approximately \$80, not accounting for the overhead of administration. More expensive and specialized staff would be utilized in specialized examinations, making the proposed rate reasonable. The last increase in the maximum hourly fee to be charged by the department in special examinations was in March of 2009, or over 16 years ago.

The proposed and current rule provides that the Commissioner "may waive the supplemental fee or reduce the fee, individually or collectively, as he deems appropriate." This would be available should the fee be an undue financial burden on a credit union, addressing the commentator's additional concern.

The Commission therefore adopts this portion of the amendment.

Increases the foreign branch fee from \$500.00 to \$1,000.00; the field of membership expansion fee for a foreign credit union from \$200 to \$1,000.00 for each application; and from \$50 to \$100 per hour expended by an examiner for an examination, if scheduled by the commissioner.

One comment opposed the increase in the fees specifically noting they felt the increase to be arbitrary. Three other comments submitted did not address the fee increase.

Our rules allow for credit unions chartered by other state regulators to operate in Texas. These credit unions do not pay operating fees. We maintain contact information on these institutions, assure there is appropriate insurance coverage and maintain branch listings. We receive, monitor and forward complaints to their state regulator. We also may be requested to process requests for expansions of fields of membership. As a comparison, the operating fee for a state chartered credit union with assets of \$1 million dollars (\$1,500) is the more than the proposed branch fee for a foreign credit union, regardless of asset size.

Eleven foreign credit unions operating in Texas have an average asset size of \$3.5 billion. The department believes this fee is rather nominal for a foreign credit union and is reasonable in light of the work to maintain the records and statutorily required annual information in our systems.

The change to the hourly rate for a review is consistent with the change recommended for Texas state chartered credit unions. The Commission, therefore, adopts this portion of amendment.

Allows the department to recover legal and SOAH costs from credit unions who cause the cost to be incurred.

One comment supported the proposed amendment; one comment was in opposition and one comment suggested more clarity.

This part of the rule change was proposed to allow for, not require, recovery of legal and hearings costs related to actions taken by regulated credit unions. Specifically, this was to address a recent instance where the Department was charged over \$36,000 by the state office of administrative hearings (SOAH) related to an appeal of a modified approval of a field of membership expansion application. Multiple informal resolution attempts were unsuccessful.

All of these expenses were solely paid by the Credit Union Department, and none paid by the appealing credit union. With an annual budget of \$5 to \$6 million, the impact of these costs can become material. The rule was proposed to ensure that threatened legal actions would not be used as a tool for a credit union to mitigate or avoid regulation. It also would put the burden on the Credit Union directly causing the cost, particularly that of an independent third party, such as SOAH, and would continue to allow the commissioner the ability not to assess the fee.

In response to the concerns from the comments, this part of the amendment is withdrawn to undergo further review.

Allows for the commissioner to propose future administrative fees to recover costs with notice to credit unions and approval by the commission at least every two years.

Four comments were received in opposition to this part of the rule. In response to the opposition, this part of amendment is withdrawn.

Withdrawal of a part of the proposed amendments in response to objection will not materially impact the substance of the rule with the other proposed amendments.

The amendments are adopted under Texas Finance Code, §15.402, which directs the Commission to establish by rule reasonable and necessary fees for the administration of Title 2, Chapter 15 and Subtitle D, Title 3 of the Finance Code.

The specific section affected by the amended rule is Texas Finance Code, §15.402.

§97.113. Fees and Charges.

(a) Operating Fee.

(1) Each credit union authorized to do business under the Act shall remit to the department an annual operating fee. The fee shall be paid in semi-annual installments, billed effective September 1 and March 1 of each year. Either installment may be adjusted as provided by paragraph (6) of this subsection.

(2) Credit unions that exit the Texas credit union system on or before August 31 or February 28 of a given year, will not be subject to the semi-annual assessment for the period beginning September 1 or March 1, respectively. Only those credit unions leaving the state credit union system prior to the close of business on those dates avoid paying the semi-annual assessment for the period beginning September 1 or March 1, as applicable.

(3) Calculation of operating fees. The schedule provided in this section shall serve as the basis for calculating operating fees. The base date shall be June 30 of the year in which operating fees are calculated. The asset base may be reduced by the amount of reverse-purchase balances extant on the June 30 base date.

Figure: 7 TAC §97.113(a)(3)

(4) The commissioner is authorized to increase the fee schedule once each year as needed to match revenue with appropriations. An increase greater than 5% shall require prior approval of the commission. The commissioner shall notify the commission of any such adjustment at the first meeting of the commission following the determination of the fee schedule.

(5) Waiver of operating fees. The commissioner is authorized to waive the operating fee for an individual credit union when good cause exists. The commissioner shall document the reason(s) for each waiver of operating fees and report such waiver to the commission at its next meeting.

(6) Adjustment of an installment. The commissioner in the exercise of discretion may, after review and consideration of anticipated and actual revenues and projected revenues adjust the amount of either installment due from credit unions.

(7) Late Fee. Installments received after September 30 or March 30 of each year will be subject to a monthly 10% late fee (calculated on the balance due) unless waived by the commissioner for good cause.

(8) Credit union conversion. A credit union organized under the laws of the United States or of another State that converts to a credit union organized under the laws of this State shall remit to the department an annual operating fee within 30 days after the issuance of a charter by the commissioner. The schedule provided in paragraph (3) of this subsection shall serve as the basis for calculating the operating fee. All provisions set forth in paragraph (3) of this subsection shall apply to converting credit unions with the following exceptions:

(A) Should the effective date of the conversion fall on or after October 31, the base date shall be the calendar quarter end immediately preceding the issuance date of a charter by the commissioner.

(B) The amount of the operating fee calculated under this section will be prorated based upon the number of full months remaining until September 1. For example, should the effective date of the conversion be January 31, the converting credit union will remit seven-twelfths of the amount of the operating fee calculated using December 31 base date.

(C) Any fee received more than 30 days after the issuance of a charter will be subject to a monthly 10% late fee unless waived by the commissioner for good cause.

(9) Mergers/Consolidations. In the event a credit union in existence as of June 30 merges or consolidates with another credit union and the merger/consolidation is completed on or before August 31, the surviving credit union's asset base, for purposes of calculating the operating fee prescribed in paragraph (3) of this subsection, will be increased by the amount of the merging credit union's total assets as of the June 30 base date.

(b) Supplemental examination fees.

(1) If the commissioner or deputy commissioner schedules a special examination in addition to the regular examination, the credit union is subject to a supplemental charge to cover the cost of time and expenses incurred in the examination.

(2) The credit union shall pay a supplemental fee of \$100 for each hour of time expended on the examination. The commissioner may waive the supplemental fee or reduce the fee, individually or collectively, as he deems appropriate. Such waiver or reduction shall be in writing and signed by the commissioner. The department shall fully explain the time and charges for each special examination to the president or designated official in charge of operations of a credit union.

(c) Special assessment. The commission may approve a special assessment to cover material expenditures, such as major facility repairs and improvements and other extraordinary expenses.

(d) Foreign credit unions.

(1) Branches. Credit unions operating branch offices in Texas as authorized by §91.210 of this title (relating to Foreign Credit Unions) shall pay an annual operating fee of \$1,000 per branch office.

(2) Field of membership expansion. A foreign credit union applying to expand its field of membership in Texas shall pay a fee of \$1,000. This fee shall be paid at the time of filing to cover the cost of processing the application. In addition, the applicant shall pay any cost incurred by the department in connection with any hearing conducted.

(3) Foreign credit union examination fees.

(A) If the commissioner schedules an examination of a foreign credit union, the credit union is subject to supplemental charges to cover the cost of time and expenses incurred in the examination.

(B) The foreign credit union shall pay a fee of \$100 for each hour of time expended by each examiner on the examination. The commissioner may waive the examination fee or reduce the fee as he deems appropriate.

(C) The foreign credit union shall also reimburse the department for actual travel expenses incurred in connection with the examination, including mileage, public transportation, food, and lodging in addition to the fee set forth in paragraph (2) of this subsection. The commissioner may waive this charge at his discretion.

(e) Contract Services. The commissioner may charge, or otherwise cause to be paid by, a credit union, a foreign credit union or related entities the actual cost incurred by the department for legal fees, adjudication fees and an examination or a review of all or part of the operations or applications of a credit union, a foreign credit union or related entity, that is performed under a contract entered into between the department and third parties. This includes fees paid to the Texas Attorney General's Office and State Office of Administrative Hearings.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Michael S. Riepen

Commissioner

Credit Union Department

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TITLE 19. EDUCATION

PART 2. TEXAS EDUCATION AGENCY

CHAPTER 61. SCHOOL DISTRICTS

SUBCHAPTER BB. COMMISSIONER'S

RULES ON REPORTING REQUIREMENTS

19 TAC §61.1021, §61.1022

The Texas Education Agency adopts the repeal of §61.1021 and §61.1022, concerning the school report card and the Texas Academic Performance Report. The repeal is adopted without changes to the proposed text as published in the May 16, 2025 issue of the *Texas Register* (50 TexReg 2884) and will not be republished. The repeal relocates the existing requirements to 19 TAC Chapter 97 with no changes to the content of the rules.

REASONED JUSTIFICATION: Section 61.1021 establishes requirements for a campus's dissemination of the annual school report card. The repeal of §61.1021 moves the existing language to new 19 TAC §97.1007 with no changes to the content of the rule.

Section 61.1022 establishes requirements for a school district's dissemination of the annual Texas Academic Performance Report, including holding a public hearing on the report. The repeal of §61.1022 moves the existing language to new 19 TAC §97.1008 with no changes to the content of the rule.

The relocations are necessary due to a comprehensive reorganization of Chapter 61.

SUMMARY OF COMMENTS AND AGENCY RESPONSES: The public comment period on the proposal began May 16, 2025, and ended June 16, 2025. No public comments were received.

STATUTORY AUTHORITY. The repeals are adopted under Texas Education Code (TEC), §39.305, which requires the commissioner of education to adopt rules requiring dissemination of campus report cards annually to the parent or person standing in parental relation to each student at the campus; and TEC, §39.306, which authorizes the commissioner to adopt

rules concerning dissemination of the annual school district and campus performance report.

CROSS REFERENCE TO STATUTE. The repeals implement Texas Education Code (TEC), §39.305, for §61.1021; and TEC, §39.306, for §61.1022.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Cristina De La Fuente-Valadez

Director, Rulemaking

Texas Education Agency

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For further information, please call: (512) 463-9526



CHAPTER 97. PLANNING AND ACCOUNTABILITY

SUBCHAPTER AA. ACCOUNTABILITY AND PERFORMANCE MONITORING

19 TAC §97.1007, §97.1008

The Texas Education Agency adopts new §97.1007 and §97.1008, concerning the school report card and the Texas Academic Performance Report. The new sections are adopted without changes to the proposed text as published in the May 16, 2025 issue of the *Texas Register* (50 TexReg 2885) and will not be republished. The new sections relocate existing requirements from 19 TAC Chapter 61 with no changes to the content of the rules.

REASONED JUSTIFICATION: New §97.1007 moves existing language from 19 TAC §61.1021, which establishes requirements for a campus's dissemination of the annual school report card. The relocation is necessary due to a comprehensive reorganization of Chapter 61. No changes from the existing rule were proposed.

New §97.1008 moves existing language from 19 TAC §61.1022, which establishes requirements for a school district's dissemination of the annual Texas Academic Performance Report, including holding a public hearing on the report. The relocation is necessary due to a comprehensive reorganization of Chapter 61. No changes from the existing rule were proposed.

SUMMARY OF COMMENTS AND AGENCY RESPONSES: The public comment period on the proposal began May 16, 2025, and ended June 16, 2025. No public comments were received.

STATUTORY AUTHORITY. The new sections are adopted under Texas Education Code (TEC), §39.305, which requires the commissioner of education to adopt rules requiring dissemination of campus report cards annually to the parent or person standing in parental relation to each student at the campus; and TEC, §39.306, which authorizes the commissioner to adopt rules concerning dissemination of the annual school district and campus performance report.

CROSS REFERENCE TO STATUTE. The new sections implement Texas Education Code (TEC), §39.305, for §97.1007; and TEC, §39.306, for §97.1008.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Cristina De La Fuente-Valadez

Director, Rulemaking

Texas Education Agency

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For further information, please call: (512) 463-9526



TITLE 22. EXAMINING BOARDS

PART 16. TEXAS BOARD OF PHYSICAL THERAPY EXAMINERS

CHAPTER 341. LICENSE RENEWAL

22 TAC §341.2

The Texas Board of Physical Therapy Examiners adopts the amendment to 22 TAC §341.2(g) relating to Continuing Competence Audits.

The amendment is adopted with changes to the proposed text as published in the May 23, 2025 issue of the *Texas Register* (50 TexReg 3063) and will be republished.

The amendment is adopted to clarify that failure to submit documentation of the required number of approved CCUs taken within the audited renewal period may result in disciplinary action. Additionally, the amendment includes licensees who are more than 90 days up to one year late renewing in the Continuing Competence Audit instead of requiring submission of CCU documentation upon renewal.

There was no public comment.

The amendment is adopted under the Physical Therapy Practice Act, Title 3, Subtitle H, Chapter 453, Occupations Code, which provides the Texas Board of Physical Therapy Examiners with the authority to adopt rules consistent with this Act to carry out its duties in administering this Act.

§341.2. Continuing Competence Requirements.

(a) Continuing competence is the ongoing acquisition and maintenance of the professional knowledge, skill, and ability of the PT or PTA through successful completion of educational and professional activities related to the physical therapy profession.

(b) All continuing competence activities submitted to satisfy renewal requirements must be board approved by an organization selected by the board.

(c) For each biennial renewal, physical therapists must complete a total of 30 continuing competence units (CCUs); physical therapist assistants must complete a total of 20 CCUs. A CCU is the relative value assigned to continuing competence activities based on specific criteria developed by the Board.

(d) Continuing competence activities utilized to fulfill renewal requirements must be completed within the 24 months prior to the license expiration date.

(e) Licensees must maintain original continuing competence activity completion documents, as specified in §341.3 of this title (relating to Qualifying Continuing Competence Activities), for four years after the license expiration date.

(f) All licensees must complete a board-approved jurisprudence assessment module as part of their total continuing competence requirement. The jurisprudence assessment module shall be assigned a CCU value and standard approval number by the board and shall include at a minimum the following components.

(1) The theoretical basis for ethical decision-making;

(2) APTA's Code of Ethics for the Physical Therapist and Guide for Professional Conduct, and the Guide for Conduct of the Physical Therapist Assistant and Standards of Ethical Conduct for the Physical Therapist Assistant;

(3) Legal standards of behavior (including but not limited to the Act and Rules of the board); and

(4) Application of content to real and/or hypothetical situations.

(g) The executive council will conduct an audit of a random sample of licensees at least quarterly to determine compliance with continuing competence renewal requirements. Failure to submit documentation of the required number of approved CCUs taken within the audited renewal period, or failure to respond to a request to submit doc-

umentation for an audit within 30 days of the date on the request, may result in disciplinary action by the board.

(1) Licensees eligible for audit include those who renewed prior to their license expiration date and those who late renewed up to one year.

(2) The board or its committees may request proof of completion of continuing competence activities claimed for renewal purposes at any time from any licensee.

(h) If the board chooses to authorize an organization(s) to approve continuing competence activities, the board shall select an appropriate organization(s) pursuant to §323.4 of this title, Request for Proposals for Outsourced Services.

The agency certifies that legal counsel has reviewed the adoption and found it to be a valid exercise of the agency's legal authority.

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Ralph Harper

Executive Director

Texas Board of Physical Therapy Examiners

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For further information, please call: (512) 305-6900

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