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 4. DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

CHAPTER 75. SAVINGS BANKS

The Finance Commission of Texas (commission), on behalf of the Department of Savings and Mortgage Lending (SML), adopts rule changes in Chapter 75: amendments in Subchapter A (§75.1 and §75.2), Subchapter B (§§75.101, 75.102, 75.121 - 75.123, 75.131, 75.133, 75.141 - 75.143, 75.145, 75.151, 75.152, and 75.171), Subchapter C (§§75.201, 75.202, 75.223, 75.251, 75.252, and 75.261), and Subchapter D (§75.306); new rules in Subchapter B (§75.108), and Subchapter C (§75.228); and a repeal in Subchapter B (§75.132). The Commission's proposal was published in the July 3, 2026 issue of the *Texas Register* (51 TexReg 4294). The following rules are adopted with changes to the published text and are republished to reflect the changes: §§75.131, 75.133, 75.201, 75.202, and 75.228. Additionally, §75.145 is republished without changes due to the omission of subsection (a)(4) in the proposal, for which no changes were proposed. The remaining rules in the proposal are adopted without changes to the published text and will not be republished. The title to Subchapter B, Division 4 is adopted with changes and is republished to reflect the changes.

Explanation of and Justification for the Rules

The rules in Chapter 75 govern the chartering, administration, and operations of Texas-chartered savings banks, including the affiliates and third-party service providers of a savings bank and the registration of savings bank holding companies under Finance Code Title 3, Subtitle C, the Texas Savings Bank Act. The adopted rules are the result of SML's rule review of 7 TAC Chapter 75, Savings Banks, conducted in accordance with Government Code §2001.039.

Changes Concerning General Provisions (Subchapter A)

The preexisting rules in Chapter 75, Subchapter A, General Provisions, establish requirements of general applicability. The adopted rules: in §75.1, Purpose and Applicability, clarify the purpose of the rules in Chapter 75; in §75.2, Definitions, create new definitions for "call report," "federal banking agency," "Federal Reserve," "SML," and "unimpaired capital and surplus," remove requirements from the definition of "managing officer," and clarify the definition of "officer."

Changes Concerning Applications (Subchapter B)

The preexisting rules in Chapter 75, Subchapter B, Applications, establish various requirements for applications filed with SML. The adopted rules: in §75.102, Application Fees and Charges, clarify that the per-site fee for a mobile facility relates to each community where it operates; in §75.108, Federal Only Applications, create a requirement for a savings bank to notify SML when it files an application only with the federal banking agency; in §75.121, Savings Bank Charter, increase the permissible range between the temporary home office and permanent home office from half a mile to one mile, and clarify eligibility requirements for managing officers; in §75.122, Change of Name; Assumed Names, clarify requirements for a savings bank to use an assumed name; in §75.131, Additional Office (Branch Office and Mobile Facility), create a unified rule for additional office applications, restate and simplify the information required for the application, remove the requirement to publish public notice in the county where the home office is located, clarify that a person may only request a hearing if they are a savings bank or federal savings bank that is unduly harmed, and extend the deadline to open an approved office from 12 months to 24 months; in §75.132, Mobile Facility, repeal the rule and consolidate the requirements with §75.131; in §75.133, Relocate Home or Additional Office, restate and simplify the information required for the application, remove the requirement to publish public notice in the county where the home office is located, and clarify that a person may only request a hearing if they are a savings bank or federal savings bank that is unduly harmed; in §75.141, Reorganization, Merger, Consolidation, or Purchase and Assumption Transaction - Resulting in a Savings Bank, clarify when a purchase and assumption application is required; and in §75.152, Expedited Applications, simplify the information required for the application and the public notice requirements.

Changes Concerning Operations (Subchapter C)

The preexisting rules in Chapter 75, Subchapter C, Operations, establish various requirements governing the operations of a savings bank. The adopted rules: in §75.201, Approval of Offices Required; Closing an Office; Activities Not Requiring an Approved Office, establish authority for a savings bank to operate a messenger service without SML approval; in §75.202, Types of Additional Offices, clarify what a branch office and mobile facility consist of, and remove the requirement to file an application and obtain approval for a savings bank to operate a messenger service; in §75.228, Call Reports, clarify requirements to file call reports, and create a requirement for a savings bank to notify SML when it files an amended call report; in §75.261, Complaint Notice, remove the form for the complaint notice from the rule, remove the requirement to include the complaint notice in every privacy notice sent to the customer, and clarify when a savings bank is deemed to be in compliance with the requirement to provide the complaint notice to customers.

Other Modernization and Update Changes

The adopted rules make changes to modernize and update the rules including: adding and replacing language for clarity and to improve readability; removing unnecessary or duplicative provisions; and updating terminology.

Summary of Public Comments

Publication of the commission's proposal set a deadline of 30 days to receive public comments. No comments were received.

SUBCHAPTER A. GENERAL PROVISIONS

7 TAC §75.1, §75.2

Statutory Authority

The rules are adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. §75.2 is also adopted under the authority of, and to implement, Finance Code §91.002.

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

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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Iain A. Berry
General Counsel
Department of Savings and Mortgage Lending
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For further information, please call: (512) 475-1535

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SUBCHAPTER B. APPLICATIONS

DIVISION 1. GENERAL PROVISIONS

7 TAC §§75.101, 75.102, 75.108

Statutory Authority

The rules are adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. §75.101 and §75.102 are also adopted under the authority of, and to implement, Finance Code §96.002(a)(2). §75.102 is also adopted under the authority of Finance Code §16.003(c). §75.102 is also adopted under the authority of, and to implement, Finance Code: §91.007; §92.051(a)(2); §92.063; §93.004(b); and §97.001.

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

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DIVISION 2. CHARTER APPLICATIONS AND AMENDMENTS

7 TAC §§75.121 - 75.123

Statutory Authority

The rules are adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. §75.121 is also adopted under the authority of, and to implement, Finance Code: Chapter 92, Subchapter B; §92.203; §92.601(b); and §96.002(a)(1), (2) and (14). §75.122 is also adopted under the authority of, and to implement, Finance Code: §92.063; and §96.002(a)(2) and (14).

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

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DIVISION 3. OFFICE LOCATIONS

7 TAC §75.131, §75.133

Statutory Authority

The rules are adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rules are also adopted under the authority of, and to implement, Finance Code: §92.063; and §96.002(a)(2) and (14).

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

§75.131. Additional Office (Branch Office and Mobile Facility).

(a) Approval Required. A savings bank may not establish an additional office as provided by §75.202 of this title (relating to Types of Additional Offices) without first filing an application and obtaining the prior written approval of the Commissioner. The application must include:

(1) a statement of intent to establish the office;

(2) the exact location of the proposed site including street address. (For a mobile facility, specify the communities in which the vehicle will operate and the manner in which it will be used);

(3) a summary of the due diligence performed to determine the utility and viability of the office; and

(4) any other information deemed appropriate by the Commissioner.

(b) Public Notice. The applicant must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in the county where the proposed office will be located.

(c) Request for Hearing; Deadline to Protest. A person affected by the proposed office may protest or otherwise request a hearing as provided by Finance Code §92.063. Any person affected by the proposed office and desiring to protest the application or otherwise request a hearing on the application must file a written protest with SML within 10 days from the date the public notice was made as provided by subsection (b) of this section, otherwise any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.

(d) Persons Affected by an Additional Office. A person is affected by an additional office for purposes of Finance Code §92.063 only if the proposed office, if approved, would unduly harm an existing savings bank or federal savings bank doing business in the community where the proposed office will be located. A person requesting a hearing must provide information in support of the person's request indicating the person is a savings bank or federal savings bank that will be unduly harmed by the proposed additional office. The Commissioner will review the request for hearing and determine, in his or her sole discretion, if the person might be affected so as to require a hearing.

(e) Hearing. If a hearing is required, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).

(f) Time of Decision. To the extent a hearing on the application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal for decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for decision. If a hearing on the application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by subsection (c) of this section.

(g) Offices in Other States or Territories. To the extent permitted by the laws of the state or territory in question, and subject to the requirements of this chapter, a savings bank may establish offices in any state or territory of the United States. Each application for permission to establish such office must comply with the requirements of this section, and must include evidence of approval by the appropriate banking agency approving the office or unit, or other evidence satisfactory to the Commissioner that all state or territorial regulatory requirements have been satisfied. The Commissioner will not approve the application unless the Commissioner determines that all requirements of this chapter applicable to the office have been met, and that all applicable requirements of the laws of the state or territory in question have been met.

(h) Deadline to Open. The office must open for business within 24 months after the date of approval, unless the Commissioner grants an extension in writing. If the office fails to open for business within this period, approval for the office is deemed revoked.

§75.133. Relocate Home or Additional Office.

(a) Approval Required. A savings bank may not move its home office or any additional office as provided by §75.202 of this title (relating to Types of Additional Offices) beyond its immediate vicinity without first filing an application and obtaining the prior written approval of the Commissioner. The application must include:

(1) a statement of intent to relocate the office;

(2) the exact location of the proposed site including street address. (For a mobile facility, specify the communities in which the vehicle will operate and the manner in which it will be used);

(3) a summary of the due diligence performed to determine the utility and viability of the office; and

(4) any other information deemed appropriate by the Commissioner.

(b) Public Notice. The applicant must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in the county where the office is presently located and the county where the proposed new location is located.

(c) Request for Hearing; Deadline to Protest. A person affected by the proposed change in home or additional office location may protest or otherwise request a hearing on the application, as provided by Finance Code §92.063. Any person affected by the proposed change in home or branch office location and desiring to protest the application or otherwise requesting a hearing on the application must file a written protest with SML within 10 days from the date the public notice was made as provided by subsection (b) of this section, otherwise any right or opportunity to protest or have a hearing on the application under Finance Code §92.063 is deemed waived.

(d) Persons Affected by the Relocation. A person is affected by the relocation of a home or additional office for purposes of Finance Code §92.063 only if the proposed relocation, if approved, would unduly harm an existing savings bank or federal savings bank doing business in the community where the office will be relocated. A person requesting a hearing must provide information in support of the person's request indicating the person is a savings bank or federal savings bank that will be unduly harmed by the relocated office. The Commissioner will review the request and determine, in his or her sole discretion, if the person might be affected so as to require a hearing.

(e) Hearing. If a hearing is required, the Commissioner will set a hearing on the application within 60 days after the date the protest or request for hearing and the required fee are received. The hearing is governed by the procedural requirements concerning contested cases set forth in Chapter 9 of this title (relating to Rules of Procedure for Contested Case Hearings, Appeals, and Rulemakings).

(f) Time of Decision. To the extent a hearing on the application is required, the Commissioner will render a decision within 30 days after the date the hearings officer issues his or her proposal for decision and the applicable time period for filing exceptions to the proposal for decision and replies to such exceptions has lapsed without the hearings officer amending the proposal for decision. If a hearing on the application is not required, the Commissioner will render a decision within 30 days after the time period for protesting or requesting a hearing on the application lapsed as provided by subsection (c) of this section.

(g) Immediate Vicinity. The term "immediate vicinity" as used in Finance Code §92.063 means the area within a one-mile radius from the present location of such office. A savings bank seeking to relocate an office within the immediate vicinity must give prior written notice to the Commissioner describing the savings bank's plans for the relocation, including the effective date of the relocation, and information showing that the new location of the office will be within the immediate vicinity of the present location and does not require approval.

(h) Relocation of Existing Offices. Notwithstanding subsection (a) of this section, a savings bank may retain its existing home office as a branch office and relocate its home office to an existing branch office by giving prior written notice to the Commissioner, including the effective date of the relocation. Upon such notification, the establishment of such offices is deemed approved by the Commissioner.

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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Iain A. Berry
General Counsel
Department of Savings and Mortgage Lending
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7 TAC §75.132

Statutory Authority

The rule is adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks.

The adopted rule affects the statutes in Finance Code Title 3, Subtitle C.

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DIVISION 4. REORGANIZATION, MERGER, CONSOLIDATION, CONVERSION, AND PURCHASE AND ASSUMPTION

7 TAC §§75.141 - 75.143, 75.145

Statutory Authority

The rules are adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. §75.141 and §75.142 are also adopted under the authority of, and to implement, Finance Code: Chapter 92, Subchapters C, H, and I; and §96.002(a)(2) and (13). §75.143 is also adopted under the authority of, and to implement, Finance Code: Chapter 92, Subchapter F; and §96.002(a)(2) and (13). §75.145 is also adopted under the authority of, and to implement, Finance Code: §92.052; and §96.002(a)(2) and (13).

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

§75.145. Mutual to Stock Conversion.

(a) A savings bank may not convert from a mutual savings bank to a stock savings bank without first filing an application and obtaining the prior written approval of the Commissioner. The application for mutual to stock conversion must include:

(1) a plan of conversion;

(2) amendments to the savings bank's certificate of formation and bylaws;

(3) a copy of the proxy and soliciting materials to be used; and

(4) such other information the Commissioner may require.

(b) The plan of conversion must provide:

(1) a comprehensive description of the nontransferable subscription rights received each eligible accountholder, including details on oversubscriptions;

(2) that the shares of the converting savings bank be offered to persons with subscription rights and management, in that order, and that any remaining shares will be sold either in a public offering through an underwriter or directly by the converting savings bank in a direct community offering;

(3) that a direct community offering by the converting savings bank will give a preference to natural persons residing in the counties in which the savings bank has an office;

(4) that the sale price of the shares of capital stock to be sold in the conversion will be a uniform price determined in accordance with

paragraph (1) of this subsection, and specify the underwriting and/or other marketing arrangements to be made;

(5) that the conversion must be completed within 24 months from the date the savings bank members approve the plan of conversion;

(6) that each savings accountholder of the converting savings bank will receive, without payment, a withdrawable savings account or accounts in the converted savings bank equal in withdrawable amount to the withdrawal value of such accountholder's savings account or accounts in the converting savings bank;

(7) for an eligibility record date;

(8) that expenses incurred in the conversion are reasonable;

(9) that the converting savings bank may not loan funds or otherwise extend credit to any person to purchase the capital stock of the savings bank;

(10) that the proxies held with respect to voting rights in the saving bank will not be voted regarding the conversion, and that new proxies will be solicited for voting on the proposed plan of conversion; and

(11) the amount of the deposit of an accountholder will be the total of the deposit balances in the accountholder's savings accounts in the converting savings bank as of the close of business on the eligibility record date. The plan of conversion may provide that the total deposit balances of less than $50 (or any lesser amounts) will not be considered for purposes of paragraph (6) of this subsection.

(c) A plan of conversion must be adopted by not less than two-thirds of the board.

(d) Public Notice. An application for mutual to stock conversion is deemed to be a complete application at the time SML notifies the applicant that application is complete and has been accepted for filing as provided by §75.101 of this title (relating to Application Filing Requirements). Upon receipt of such notice, the proposed incorporators must publish a public notice of the application as provided by §75.103 of this title (relating to Public Notice of Application), which must be published in each county in which the savings bank has an office, and must prominently post the notice in each of its offices where it conducts business with customers in person.

(e) Following approval of the application for conversion by the Commissioner, the plan of conversion must be submitted to the members at an annual or special meeting and the plan must be approved, in person or by proxy, by at least a majority of the total outstanding votes of the members.

(f) No offer to sell securities of a savings bank pursuant to a plan of conversion may be made prior to Commissioner's approval of the:

(1) application for conversion;

(2) proxy statement; and

(3) offering circular.

(g) Within 45 days:

(1) of the date of the mailing of the subscription form, the subscription rights must be exercised;

(2) after the last day of the subscription period, the sale of all shares of capital stock of the converting savings bank to be made under the plan of conversion, including any sale in a public offering or direct community marketing, must be completed.

(h) The converting savings bank must pay interest at not less than the savings account interest rate on all amounts paid in cash or by check or money order to the savings bank to purchase shares of capital stock in the subscription offering or direct community offering from the date payment is received by the savings bank until the conversion is completed or terminated.

(i) For the purpose of this rule, the public offering and a direct community offering is deemed to commence upon the declaration of effectiveness by the Commissioner of the final offering circular.

(j) The Commissioner may grant a written waiver from any requirement of this rule that is not otherwise required by statute.

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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Iain A. Berry
General Counsel
Department of Savings and Mortgage Lending
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DIVISION 5. EXPEDITED APPLICATIONS

7 TAC §75.151, §75.152

Statutory Authority

The rules are adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rules are also adopted under the authority of, and to implement, Finance Code §96.002(a)(2).

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

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DIVISION 7. CAPITAL NOTES AND DEBENTURES

7 TAC §75.171

Statutory Authority

The rule is adopted under the authority of: Government Code §2001.004(1), requiring a state agency to adopt rules of practice stating the nature and requirements of all available formal and informal procedures; and Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rule is also adopted under the authority of, and to implement, Finance Code: §96.002(a)(11); and §93.004(b).

The adopted rule affects the statutes in Finance Code Title 3, Subtitle C.

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SUBCHAPTER C. OPERATIONS

DIVISION 1. OFFICE LOCATIONS

7 TAC §75.201, §75.202

Statutory Authority

The rules are adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rules are also adopted under the authority of, and to implement, Finance Code: §92.063; and §96.002(a)(14).

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

§75.201. Approval of Offices Required; Closing an Office; Activities Not Requiring an Approved Office.

(a) Approval Required. A savings bank may not establish an additional office or relocate its home office or an approved additional office as provided by §75.202 of this title (relating to Types of Additional Offices), without first filing an application and obtaining the prior written approval of the Commissioner, except as otherwise provided by §75.133 of this title (relating to Relocate Home or Additional Office).

(b) Ancillary Facilities. An authorized or approved office of a savings bank is the place where the business of the savings bank is conducted, and with the prior written consent of the Commissioner, may include facilities ancillary thereto for the extension of the savings bank's services to the public. Any authorized or approved office of a savings bank also means, with the prior written consent of the Commissioner, separate quarters or facilities to be used by the savings bank for the purpose of performing service functions in the efficient conduct of its business.

(c) Notice of Home Office. All offices of a savings bank which are located outside the county of its home office must display a sign which is suitable to advise the public of the type of additional office which is located therein and the location of the home office of such savings bank.

(d) Closing an Office. Before closing an approved branch or other office, other than a temporary closure as provided by §75.203 of this title (relating to Temporary Closing of Additional Offices), or an emergency closure as provided by Finance Code §93.011, a savings bank must comply with the notice requirements of federal law, and provide the Commissioner with a copy of the closing notice filed with the appropriate federal banking agency upon filing such notice. A savings bank must provide the Commissioner with confirmation within 10 days after the actual closing date. Once closed, prior written approval from the Commissioner to operate a branch or other office is deemed revoked, and a savings bank may not reopen the branch or other office without seeking new approval from the Commissioner.

(e) Activities Not Requiring an Approved Office. The following activities of a savings bank, or any combination thereof, may be performed at a location other than the home or a branch office and such location does not constitute an "additional office" requiring notice to or the prior approval of the Commissioner for purposes of Finance Code §92.063:

(1) Automated or remote activities. A savings bank may engage in limited banking activities through infrastructure and equipment by automated or remote means, including use of an automated teller machine (ATM), automated loan machine, automated device for receiving deposits (remote deposit capture), or other remote service unit.

(2) Loan production activities. A savings bank may engage in loan production activities including taking loan applications, making a credit decision, accepting payments on loans, or managing or selling real estate owned by the institution in connection with such loans, unless such activity conflicts with applicable state or federal law.

(3) Administrative activities (administrative offices). A savings bank may establish or maintain administrative offices to perform the internal operations of the bank, provided the savings bank does not conduct banking activities.

(4) Advertising and marketing. A savings bank may advertise and market itself to the public including soliciting deposits, providing information about the financial products of the savings bank, and assisting persons in completing application forms to open a deposit account, provided the savings bank does not conduct banking activities.

(5) Trade association participation; community events and engagement. A savings bank may participate in trade association events promoting the banking or financial services industry broadly. A savings bank may also host, attend, or otherwise participate in community events, provided the savings bank does not conduct banking activities at such event.

(6) Information technology (IT) infrastructure. A savings bank may operate information technology infrastructure or equipment including the placement of IT infrastructure in a data center, the hosting or processing of a website or data by a third party IT service provider, or such other physical presence tied to the IT infrastructure of the savings bank.

(7) Ancillary customer service activities. A savings bank may engage in customer service activities ancillary to its banking func-

tions including relating to accessing or using its website or a software application.

(8) A savings bank may establish a messenger service that is operated by a savings bank or its affiliate that picks up and delivers items relating to transactions in which deposits are received or checks paid or money lent, provided the messenger service is approved by the federal banking agency.

§75.202. Types of Additional Offices.

The following types of additional offices may be established by a savings bank:

(1) a branch office where deposits are received or checks paid or money lent; and

(2) a mobile facility that does not have a single permanent site and uses a vehicle that travels to various locations to enable the public to conduct banking business, and that may serve defined locations on a regular schedule or may serve a defined area at varying times and locations (also known as a mobile branch).

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Proposal publication date: July 3, 2026
For further information, please call: (512) 475-1535

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DIVISION 2. BOOKS, RECORDS, ACCOUNTING PRACTICES, FINANCIAL STATEMENTS, AND RESOURCES

7 TAC §75.223, §75.228

Statutory Authority

The rules are adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. §75.223 is also adopted under the authority of, and to implement, Finance Code: §96.002(a)(4), (7), (8), and (11); §96.051; and §96.053. §75.228 is also adopted under the authority of, and to implement, Finance Code: §96.002(a)(6); and §96.053.

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

§75.228. Call Reports.

(a) Filing Requirements. Call reports must be filed with the Federal Financial Institutions Examination Council (FFIEC) by the deadlines established by the FFIEC. The call report must be filed using the current form prescribed by the FFIEC.

(b) Duty to File Complete and Accurate Reports. The call report must contain complete and accurate information at the time it is filed. A savings bank must act diligently to compile all information necessary to complete the call report in advance of the deadline to file the call report. A call report containing incomplete or inaccurate information is deemed to be a failure to file the call report. The filing of incomplete or inaccurate information, even on a temporary basis with the intent to amend the call report with complete and accurate information, constitutes a violation and may result in an enforcement action.

(c) Amended Filings. If a savings bank amends its call report, it must provide written notice to the Commissioner and provide an explanation of why the amended filing was necessary and a summary of the specific information amended.

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

Filed with the Office of the Secretary of State on August 24, 2026.

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Iain A. Berry
General Counsel
Department of Savings and Mortgage Lending
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For further information, please call: (512) 475-1535

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DIVISION 5. ASSESSMENTS AND FEES

7 TAC §75.251, §75.252

Statutory Authority

The rules are adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rules are also adopted under the authority of, and to implement, Finance Code: §16.003(c); and §91.007. §75.252 is also adopted under the authority of, and to implement, Finance Code §96.055.

The adopted rules affect the statutes in Finance Code Title 3, Subtitle C.

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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Iain A. Berry
General Counsel
Department of Savings and Mortgage Lending
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For further information, please call: (512) 475-1535

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DIVISION 6. COMPLAINT PROCEDURES

7 TAC §75.261

Statutory Authority

The rule is adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rule is also adopted under the authority of, and to implement, Finance Code: §96.002(a)(11).

The adopted rule affects the statutes in Finance Code Title 3, Subtitle C.

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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Iain A. Berry

General Counsel

Department of Savings and Mortgage Lending

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SUBCHAPTER D. LOANS, INVESTMENTS, SAVINGS, AND DEPOSITS

DIVISION 1. AUTHORIZED LOANS AND INVESTMENTS

7 TAC §75.306

Statutory Authority

The rule is adopted under the authority of Finance Code: §11.302, authorizing the commission to adopt rules applicable to savings banks; and §96.002(a), authorizing the commission to adopt rules necessary to supervise and regulate Texas-chartered savings banks and to protect public investment in Texas-chartered savings banks. The rule is also adopted under the authority of, and to implement, Finance Code §96.002(a)(16).

The adopted rule affects the statutes in Finance Code Title 3, Subtitle C.

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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Iain A. Berry

General Counsel

Department of Savings and Mortgage Lending

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PART 5. OFFICE OF CONSUMER CREDIT COMMISSIONER

CHAPTER 85. PAWNSHOPS AND CRAFTED PRECIOUS METAL DEALERS

SUBCHAPTER A. RULES OF OPERATION FOR PAWNSHOPS

DIVISION 4. OPERATION OF PAWNSHOPS

7 TAC §85.402, §85.406

The Finance Commission of Texas (commission) adopts amendments to §85.402 (relating to Recordkeeping) and §85.406 (relating to Law Enforcement Reporting) in 7 TAC Chapter 85, Subchapter A, concerning Rules of Operation for Pawnshops.

The commission adopts the amendments to §85.402 and §85.406 without changes to the proposed text as published in the July 3, 2026, issue of the *Texas Register* (51 TexReg 4307). The rules will not be republished.

The rules in 7 TAC Chapter 85, Subchapter A govern pawnshops. In general, the purpose of the rule changes to 7 Chapter 85, Subchapter A is to implement changes resulting from the commission's review of the subchapter under Texas Government Code, §2001.039.

Adopted amendments to §85.402 update recordkeeping requirements for pawnshops. Pawnshops are required to maintain transaction records under Texas Finance Code, §371.152, and are required to allow the OCCC to access records under Texas Finance Code, §371.202. Currently, provisions throughout §85.402 refer to both paper and electronic recordkeeping systems. An amendment to §85.402(b) rearranges language to refer to electronic recordkeeping systems before referring to paper systems, based on licensees' increasing use of electronic systems rather than paper systems. Additional amendments to §85.402 relate to data security recordkeeping. An amendment at §85.402(i)(1) specifies that licensees must maintain written policies and procedures for an information security program to protect consumers' customer information, as required by the Federal Trade Commission's Safeguards Rule, 16 C.F.R. part 314. Another amendment at §83.402(i)(2) specifies that if a licensee maintains customer information concerning 5,000 or more consumers, then the licensee must maintain a written incident response plan and written risk assessments, as required by 16 C.F.R. §314.4. An amendment at §83.402(j) specifies that licensees must maintain data breach notifications to consumers and to the Office of the Attorney General under Texas Business & Commerce Code, §521.053. Data security is a crucial issue. The OCCC's 2027-2031 strategic plan includes action items to "[p]romote cybersecurity awareness and best practices among regulated entities" and "[m]onitor cybersecurity incidents and remediation efforts reported by regulated entities." Recent data breaches affecting financial institutions highlight the urgent need for vigilance in this industry. The adopted data security recordkeeping amendments will help ensure that the OCCC can monitor this crucial issue.

An amendment to §85.406 revises a requirement related to law enforcement reporting. Pawnshops are required to allow peace officers to inspect transaction records under Texas Finance Code, §371.204. Currently, §85.406 provides suggested guidelines for pawnshops to report transactions electronically to law enforcement agencies. An amendment to §85.406(b)(1) removes a reference to transmitting information to law enforcement by disk, because the OCCC understands that disks are no longer commonly used.

In March 2026, the OCCC issued an advance notice of rule review, seeking informal feedback on the rule review. Notice of the review of 7 TAC Chapter 85, Subchapter A was published in the *Texas Register* on April 3, 2026 (51 TexReg 2257). The OCCC and the commission did not receive any comments in response to these notices.

The OCCC distributed an early precomment draft of proposed changes to interested stakeholders for review. The OCCC did not receive any written precomments on the rule text draft.

The OCCC and the commission did not receive any official comments on the proposed amendments.

The rule amendments are adopted under Texas Finance Code, §371.006, which authorizes the commission to adopt rules to enforce Texas Finance Code, Chapter 371 (the Texas Pawnshop Act). In addition, Texas Finance Code, §11.304 authorizes the Finance Commission to adopt rules necessary to supervise the OCCC and ensure compliance with Texas Finance Code, Title 4.

The statutory provisions affected by the adoption are contained in Texas Finance Code, Chapter 371.

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

Filed with the Office of the Secretary of State on August 21, 2026.

TRD-202603673
Matthew Nance
General Counsel
Office of Consumer Credit Commissioner
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Proposal publication date: July 3, 2026
For further information, please call: (512) 936-7660

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TITLE 25. HEALTH SERVICES

PART 1. DEPARTMENT OF STATE HEALTH SERVICES

CHAPTER 229. FOOD AND DRUG
SUBCHAPTER W. LICENSING OF WHOLESALE DISTRIBUTORS OF PRESCRIPTION DRUGS--INCLUDING GOOD MANUFACTURING PRACTICES

25 TAC §229.420

The executive commissioner of the Texas Health and Human Services Commission (HHSC), on behalf of the Texas Department of State Health Services (DSHS), adopts an amendment to §229.420, concerning Medical Gases. Section 229.420 is adopted without changes to the proposed text as published in the May 29, 2026, issue of the *Texas Register* (51 TexReg 3677). This rule will not be republished.

BACKGROUND AND JUSTIFICATION

The amendment to Title 25 of the Texas Administrative Code (TAC) Chapter 229, Subchapter W, relating to Licensing of Wholesale Distributors of Prescription Drugs--Including Good Manufacturing Practices (GMP) is necessary to comply with applicable federal laws pertaining to medical gases. Specifically, the amendment aligns the minimum standards in the current rule with new Medical Gases GMP requirements under 21 Code of Federal Regulations (CFR) Part 213 and 21 CFR Part 230, which are already in effect. The amendment will adopt the new 21 CFR Part 213 and 21 CFR Part 230 in 25 TAC §229.420(a).

COMMENTS

The 31-day comment period ended June 29, 2026. DSHS received one comment regarding the proposed rule from University of Texas Southwestern Medical Center. A summary of the comment relating to the rule and the DSHS response follows.

Comment: The commenter agrees with the adoption of federal laws pertaining to medical gases and suggests amending §229.420 to direct wholesale distributors to Food and Drug Administration (FDA)-published guidance documents on compliance with 21 CFR Part 213 and Part 230.

Response: DSHS disagrees with the comment and declines to amend the rule in response to this comment. Section 229.420 adopts applicable federal statutes and regulations by reference. FDA guidance documents are not legally binding and do not establish enforceable requirements. The rule therefore does not reference FDA guidance documents. To assist regulated entities, DSHS will instead provide information regarding applicable FDA guidance on the DSHS website.

STATUTORY AUTHORITY

The amendment is adopted under Texas Government Code §524.0151, which provides that the executive commissioner of HHSC shall adopt rules for the operation and provision of services by the health and human services system, and Texas Health and Safety Code (HSC) §1001.075, which authorizes the executive commissioner of HHSC to adopt rules and policies for the operation and provision of health and human services by DSHS and for the administration of HSC Chapter 1001, and by HSC §431.241 and §431.244 which provide the executive commissioner of HHSC with authority to adopt rules enforcing the Texas Food, Drug, and Cosmetic Act, and adopt specific rules under 21 CFR as a rule under Chapter 431.

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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TRD-202603626
Cynthia Hernandez
General Counsel
Department of State Health Services
Effective date: September 7, 2026
Proposal publication date: May 29, 2026
For further information, please call: (512) 834-6755

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TITLE 26. HEALTH AND HUMAN SERVICES

PART 1. HEALTH AND HUMAN SERVICES COMMISSION

CHAPTER 748. MINIMUM STANDARDS FOR GENERAL RESIDENTIAL OPERATIONS

The executive commissioner of the Texas Health and Human Services Commission (HHSC) adopts amendments to §748.751, concerning Employment Verification; §748.753, concerning Reference Checks; §748.881, concerning General Pre-Service Training Curriculum Components; §748.887, concerning Pre-Service Training Curriculum Components for General Residential Operations that Do Not Allow Emergency Behavior Intervention; §748.3319, concerning "No Trespassing" Notices for General Residential Operations Operating as Residential Treatment Centers; and the repeal of §748.3321, concerning What additional responsibilities do I have regarding the "No Trespassing" signs if my operation is a residential treatment center.

Sections 748.753, 748.887 and 748.3319 are adopted with changes to the proposed text as published in the March 20, 2026, issue of the *Texas Register* (51 TexReg 1797). These rules will be republished.

Sections 748.751, 748.881, and 748.3321 are adopted without changes to the proposed text as published in the March 20, 2026, issue of the *Texas Register* (51 TexReg 1797). These rules will not be republished.

BACKGROUND AND JUSTIFICATION

The amendments and repeal are necessary to comply with House Bill (HB) 3153 and Section 6 of HB 2789, 89th Legislature, Regular Session, 2025. The amendments are necessary to partially implement HB 16, 89th Legislature, 2nd Special Session, 2025.

HB 3153 added Texas Health and Safety Code (HSC), Chapter 811, which requires general residential operations (GROs) comply with certain employment requirements to prevent physical or sexual abuse of children.

Section 6 of HB 2789 amended Texas Human Resources Code (HRC) §42.068 to remove location and content requirements for "No Trespassing" notices at GROs that are operating as residential treatment centers. Other rule projects are underway to implement the other sections of HB 2789.

HB 16 amended HRC §42.0426 to require a residential child care facility to include crisis response training for emergency behavior intervention with a goal of limiting law enforcement involvement. A separate rule project will implement the bill for child-placing agencies.

The amendments and repeal update existing requirements for obtaining and verifying an applicant's employment history; add training for new employees regarding professional and appropriate relationships with children; include crisis response training for emergency behavior intervention with a goal of limiting law enforcement involvement; and remove location-specific and content requirements for "No Trespassing" notices.

COMMENTS

The 31-day comment period ended April 20, 2026.

HHSC received 18 comments regarding the proposed rules from four commenters. HHSC received comments from Cal Farley's Boys Ranch, Family Resource Centers of Texas, New Life Refuge, and the Texas Alliance of Child and Family Services. A summary of comments relating to the rules and HHSC responses follows.

Comment: Regarding §748.751, one commenter questioned if documenting attempts to verify employment is sufficient to meet the intent of the rule, whether employment verification has a timeframe, and, if a GRO is unable to verify employment, whether the GRO must document why the GRO did or did not hire an applicant. The commenter recommended that HHSC add a section to relevant forms where a GRO can document the GRO's assessment and why the GRO decided to hire the applicant.

Response: HHSC acknowledges the comment, and no rule revisions are needed. The rule as written allows GROs to document the applicant's employment history and the attempts to contact a previous employer for verification in the applicant's personnel file. These requirements are sufficient to effect the intent of the rule. However, HHSC acknowledges the commenter's recommendation to update relevant forms, and will consider whether to update forms.

Comment: Regarding §748.751(a), one commenter stated the amendments appear to be an improvement and provide clarity for providers.

Response: HHSC acknowledges the comment, and no rule revisions are needed.

Comment: Regarding §748.751, one commenter recommended that a legacy clause be included to ensure the rule amendments only apply to applicants hired after the date the rule amendments become effective. The commenter is concerned that a GRO may be cited for failing to conduct employment verification for employees hired before the rule effective date.

Response: HHSC disagrees that a legacy clause is needed and declines to revise the rule in response to this comment. GRO employees hired before the effective date of this rule are subject to the requirements that were in effect at the time the person was hired, not the updated requirements.

Comment: Regarding §748.751(a), one commenter recommended requiring GROs to verify, at a minimum, the last five years of employment history for an applicant. The commenter expressed concern that removing the five-year verification requirement will impose greater administrative burdens on GROs. The commenter is also concerned that the rule will result in a different employment verification process for each GRO's hiring practices, and force GROs and regulatory staff to review application documents in addition to the job application, such as cover letters, resumes, and letters of recommendation, to ensure compliance.

Response: HHSC disagrees with the comment and declines to revise the rule in response to this comment. The proposed rule language reflects requirements stated in HSC §811.003(c), which does not prescribe a minimum or maximum period of work history to be verified.

Comment: Regarding §748.751(b), one commenter expressed concern that "the operation must document" may be inconsistently interpreted by HHSC Child Care Regulation (CCR) staff, leading to subjective citations. The commenter recommended the issue be addressed with technical assistance, such as including on any form available to GROs.

Response: HHSC acknowledges the comment but declines to revise the rule because §748.751(b) clearly outlines what an operation must document when verifying an applicant's previous employment. HHSC will consider providing or updating technical assistance, forms and CCR staff training related to the rule.

Comment: Regarding §748.753, one commenter stated the rule lacks clarity, and questioned whether "check references" refers to the references a job applicant provides. The commenter stated "previous employers" may verify an applicant's employment but will not provide information as to the quality of the applicant's work or if the applicant is eligible for rehire.

Response: HHSC disagrees with the comment and declines to revise the rule in response to this comment. Section 748.753(a) requires a GRO to contact "at least two individuals unrelated to the applicant that can provide information about the applicant's suitability to work with or around children." A reference check with a "current or former employer" is only required by §748.753(b) if the applicant has work history that involves providing care or services to children. Section 748.753(c) provides documentation requirements if a GRO is unable to complete a reference check required by Section §748.753(a) or §748.753(b).

Comment: Regarding §748.753(a), one commenter suggested clarifying whether two reference checks must be completed, or whether attempts to contact two references are sufficient to meet the requirement. The commenter also recommended that CCR update any relevant form to help providers elicit information sufficient to meet the requirement.

Response: HHSC disagrees with the comment and declines to revise the rule. Section 748.753(d)(1) outlines information that must be gathered to complete the reference check. Section 748.753(c) outlines documentation requirements if a GRO is unable to complete a reference check as required by §748.753(a). However, HHSC acknowledges the commenter's recommendation to update relevant forms.

Comment: Regarding §748.753(c)(1), one commenter stated it is helpful that the language broadens the reasons for not completing the reference check beyond "refusal."

Response: HHSC acknowledges the comment, and no rule revisions are needed in response to the comment. The paragraph the commenter referred to as §748.753(c)(1) is now §748.753(c)(3) and has been revised to improve clarity.

Comment: Regarding §748.753(c)(3), one commenter stated it is unclear what CCR expects a GRO to document for the GRO's "assessment of the applicant's suitability to work with or around children." The commenter recommended CCR provide clarity in the rule regarding what the GRO's assessment must include, or provide clarity with technical assistance, such as including clarification on any form available to GROs.

Response: HHSC disagrees with the comment and declines to revise the rule in response to this comment. The paragraph the commenter referred to as §748.753(c)(3) is now §748.753(c)(1). A GRO must document the GRO's assessment of the applicant's suitability to work with or around children only if a reference check is not completed. The rule does not prescribe what this assessment must include. A GRO may choose criteria for this assessment based on the needs of the children the GRO serves. HHSC will consider providing technical assistance.

Comment: Regarding §748.753(d)(2), one commenter recommended clarifying the information a GRO should document when the GRO does not successfully complete a reference check for an applicant to avoid inconsistent interpretation by CCR staff. The commenter recommended addressing with technical assistance if CCR declines to revise the rule.

Response: HHSC disagrees with the comment and declines to revise the rule in response to this comment. Section 748.753(c) outlines the information a GRO must document when the GRO is unable to complete a reference check. A GRO may use reasonable discretion to determine what this information should include, which may vary depending on the situation. HHSC provides a form in the CCR Technical Assistance Library where a GRO can document reference checks and employment verification, including the operation's assessment of the applicant's suitability to work with children. HHSC will consider providing technical assistance.

Comment: Regarding §748.881(3), one commenter stated that while the proposed rule language follows the language of HB 3153, it is not clear how to train on the "methods for maintaining professional and appropriate relationships with children." The commenter expressed concern with CCR staff inconsistently interpreting the requirement, which may lead to more subjective citations. The commenter recommended providing technical assistance if CCR declines to revise the rule.

Response: HHSC disagrees with the comment and declines to revise the rule in response to this comment. As the commenter acknowledged, the rule language follows the language used in HSC §811.005(3) and provides a GRO flexibility in determining how the GRO should train on this topic. HHSC will consider providing technical assistance.

Comment: Regarding §748.887, one commenter recommended clarifying that this requirement refers to the child engaged in the potentially harmful behavior, not other children.

Response: HHSC agrees with the comment, and revised §748.887(5) and §748.887(6)(B) in response to clarify that these requirements refer to a child who is engaged in potentially harmful behavior.

Comment: Regarding §748.887(7), one commenter stated the proposed rule is not clear on what is included in the "crisis response strategies with a goal of limiting involvement with law enforcement" training. The commenter expressed concern with CCR staff inconsistently interpreting the requirement, which may lead to more subjective citations. The commenter recommended providing technical assistance if CCR declines to revise the rule.

Response: HHSC declines to revise the rule in response to this comment. The proposed rule language follows the language used in HRC §42.0426(b)(1). A GRO may determine what curriculum components should be included in the training and tailor the curriculum to meet the needs of the children in the GRO's care. HHSC will consider providing technical assistance.

Comment: Regarding §748.3319, one commenter recommended adding "without charge" to the rule language.

Response: HHSC agrees with the comment and revised §748.3319(b) to clarify that a GRO operating as a residential treatment center may request "No Trespassing" notices from HHSC without charge to the GRO.

Comment: Regarding §748.3319, one commenter appreciated the proposed changes to the "No Trespassing" notice requirements which appear less burdensome to providers. The commenter also expressed concern with CCR staff inconsistently interpreting the requirement due to a lack of specific requirements, which may lead to more subjective citations. The commenter recommended providing technical assistance if CCR declines to revise the rule.

Response: HHSC disagrees with the comment and declines to revise the rule. §748.3319(b) outlines the required information and dimensions a "No Trespassing" notice must include. HHSC will consider providing technical assistance.

Comment: Regarding §748.3319, two commenters expressed concern that a GRO may be cited if there is delay between when a GRO requests a "No Trespassing" notice, and when the "No Trespassing" notice is delivered to the GRO. One commenter recommended the provision of technical assistance regarding CCR's expectation for compliance when a delay exists.

Response: HHSC acknowledges the comment and will consider providing technical assistance.

Comment: Regarding §748.3319, one commenter stated the proposed amendments are appropriate and needed, and thanked CCR for its service on behalf of all Texans.

Response: HHSC acknowledges the comment, and no rule revisions are needed.

HHSC made minor editorial changes to correct formatting and use of acronyms and to clarify language in §§748.753(b), 748.753(c), 748.887, 748.3319(a), 748.3319(b) and 748.3319(c).

SUBCHAPTER E. PERSONNEL

DIVISION 8. PRE-EMPLOYMENT SCREENING

26 TAC §748.751, §748.753

STATUTORY AUTHORITY

The amendments are adopted under Texas Government Code §524.0151, which provides that the executive commissioner of HHSC shall adopt rules for the operation and provision of services by the health and human services system, and Texas Government Code §524.0005, which provides the executive commissioner of HHSC with broad rulemaking authority. In addition, the amendments to §§748.751, 748.753, 748.881, and 748.887 are authorized by Texas Human Resources Code §42.042, which requires the executive commissioner to adopt rules and minimum standards related to required qualifications and training of employees at regulated facilities; the amendments to §748.3319 and repeal of §748.3321 are authorized by Texas Human Resources Code §42.068(b), which requires the executive commissioner to adopt rules relating to the placement and design of "No Trespassing" notices.

§748.753. Reference Checks.

(a) Before hiring an applicant for a position, the operation must complete the applicant's reference checks by contacting at least two individuals unrelated to the applicant that can provide information about the applicant's suitability to work with or around children.

(b) If the applicant has work history that involves providing care or services to children, at least one reference check required by subsection (a) of this section must be completed with a current or former employer who supervised or has knowledge of the applicant's history and job performance in that role.

(c) If the operation does not complete a reference check as required by subsection (a) or (b) of this section, the operation must document:

(1) the operation's assessment of the applicant's suitability to work with or around children; and

(2) if the reference check is not completed because the operation determines that the reference is permanently unreachable, the operation must document at least two attempts to contact the reference, and any additional facts that support the operation's determination; or

(3) any other reason the reference check could not be completed.

(d) For each person hired by the operation, the operation must maintain the following information in the employee's personnel file:

(1) documentation of each reference check that includes:

(A) the reference's name;

(B) the relation of the reference to the applicant;

(C) the reference's contact information;

(D) the date of the reference check;

(E) information obtained from the reference check, documented as:

(i) a summary of the reference; or

(ii) a copy of the written information provided by the reference; and

(F) the name of the person at the hiring operation that completed the reference check; and

(2) if the operation does not successfully complete a reference check, the documentation required by subsection (c) of this section.

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

Filed with the Office of the Secretary of State on August 18, 2026.

TRD-202603582
Karen Ray
Chief Counsel
Health and Human Services Commission
Effective date: September 7, 2026
Proposal publication date: March 20, 2026
For further information, please call: (512) 438-3269

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SUBCHAPTER F. TRAINING AND PROFESSIONAL DEVELOPMENT

DIVISION 5. CURRICULUM COMPONENTS FOR PRE-SERVICE TRAINING

26 TAC §748.881, §748.887

STATUTORY AUTHORITY

The amendments are adopted under Texas Government Code §524.0151, which provides that the executive commissioner of HHSC shall adopt rules for the operation and provision of services by the health and human services system, and Texas Government Code §524.0005, which provides the executive commissioner of HHSC with broad rulemaking authority. In addition, the amendments to §§748.751, 748.753, 748.881, and 748.887 are authorized by Texas Human Resources Code §42.042, which requires the executive commissioner to adopt rules and minimum standards related to required qualifications and training of employees at regulated facilities; the amendments to §748.3319 and repeal of §748.3321 are authorized by Texas Human Resources Code §42.068(b), which requires the executive commissioner to adopt rules relating to the placement and design of "No Trespassing" notices.

§748.887. Pre-Service Training Curriculum Components for General Residential Operations that Do Not Allow Emergency Behavior Intervention.

If an operation does not permit emergency behavior intervention, the pre-service training curriculum for emergency behavior intervention must address early identification of potentially harmful behaviors and less restrictive intervention strategies and techniques. The curriculum must include:

(1) developing and maintaining an environment that supports positive and constructive behaviors;

(2) causes of behaviors that may harm a child, including aspects of the environment;

(3) early signs of behaviors that may become dangerous to a child or others;

(4) strategies and techniques a child can use to avoid harmful behaviors;

(5) teaching a child who is engaged in potentially harmful behavior to use the strategies and techniques of the operation's de-escalation protocols to avoid harmful behavior, and supporting the efforts of a child who is engaged in potentially harmful behavior to move into a state of self-control;

(6) less restrictive strategies caregivers can use to:

(A) intervene in potentially harmful behaviors; and

(B) engage a child who is engaged in potentially harmful behavior to de-escalate a situation;

(7) crisis response strategies with a goal of limiting involvement with law enforcement; and

(8) risks associated with the use of prone or supine restraints, including positional, compression, or restraint asphyxia.

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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TRD-202603583
Karen Ray
Chief Counsel
Health and Human Services Commission
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For further information, please call: (512) 438-3269

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SUBCHAPTER P. PHYSICAL SITE
DIVISION 1. GROUNDS AND GENERAL REQUIREMENTS

26 TAC §748.3319

STATUTORY AUTHORITY

The amendment is adopted under Texas Government Code §524.0151, which provides that the executive commissioner of HHSC shall adopt rules for the operation and provision of services by the health and human services system, and Texas Government Code §524.0005, which provides the executive commissioner of HHSC with broad rulemaking authority. In addition, the amendments to §§748.751, 748.753, 748.881, and 748.887 are authorized by Texas Human Resources Code §42.042, which requires the executive commissioner to adopt rules and minimum standards related to required qualifications and training of employees at regulated facilities; the amendments to §748.3319 and repeal of §748.3321 are authorized by Texas Human Resources Code §42.068(b), which requires the executive commissioner to adopt rules relating to the placement and design of "No Trespassing" notices.

§748.3319. "No Trespassing" Notices for General Residential Operations Operating as Residential Treatment Centers.

(a) General residential operations (GROs) operating as residential treatment centers must post "No Trespassing" notices on the grounds of the GRO.

(b) A GRO acting as a residential treatment center may request "No Trespassing" notices from Child Care Regulation, as needed and without charge to the GRO, to meet the requirements in this section or create the operation's own notices. The "No Trespassing" notices must:

(1) state that entry to the property is forbidden; and

(2) be at least 8-1/2 by 11 inches in size.

(c) "No Trespassing" notices must be displayed in locations that ensure the notices are clearly visible and readable.

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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TRD-202603585
Karen Ray
Chief Counsel
Health and Human Services Commission
Effective date: September 7, 2026
Proposal publication date: March 20, 2026
For further information, please call: (512) 438-3269

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26 TAC §748.3321

STATUTORY AUTHORITY

The repeal is adopted under Texas Government Code §524.0151, which provides that the executive commissioner of HHSC shall adopt rules for the operation and provision of services by the health and human services system, and Texas Government Code §524.0005, which provides the executive commissioner of HHSC with broad rulemaking authority. In addition, the amendments to §§748.751, 748.753, 748.881, and 748.887 are authorized by Texas Human Resources Code §42.042, which requires the executive commissioner to adopt rules and minimum standards related to required qualifications and training of employees at regulated facilities; the amendments to §748.3319 and repeal of §748.3321 are authorized by Texas Human Resources Code §42.068(b), which requires the executive commissioner to adopt rules relating to the placement and design of "No Trespassing" notices.

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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Karen Ray
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For further information, please call: (512) 438-3269

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TITLE 37. PUBLIC SAFETY AND CORRECTIONS

PART 15. TEXAS FORENSIC SCIENCE COMMISSION

CHAPTER 651. DNA, CODIS, FORENSIC ANALYSIS, AND CRIME LABORATORIES

SUBCHAPTER C. FORENSIC ANALYST LICENSING PROGRAM

37 TAC §651.207

The Texas Forensic Science Commission (Commission) adopts an amendment to §651.207, Forensic Analyst and Forensic Technician Licensing Requirements, Including Initial License Term and Fee, Minimum Education and Coursework, General Forensic Examination, Proficiency Monitoring, and Mandatory Legal and Professional Responsibility Training, to reduce the amount of work experience required for a firearms/toolmarks analyst or technician to obtain a waiver of certain minimum education or specific coursework requirements for licensure without changes to the text as published in the June 12, 2026 issue of the *Texas Register* (51 TexReg 3870). The rule will not be republished. This adoption reflects feedback from firearms/toolmarks forensic practitioners and laboratory managers in Texas, who indicate that three years of relevant training and experience is sufficient to address any gaps in formal education or coursework and to ensure that applicants possess the necessary knowledge to qualify for licensure as a firearms/toolmarks analyst or technician.

Reasoned Justification for Rule. This adoption is necessary to ensure that the Commission's licensing requirements accurately reflect current training practices and workforce realities within the firearms/toolmarks discipline. The Commission received feedback from firearms/toolmarks forensic practitioners and laboratory managers indicating that three years of relevant training and experience in an accredited laboratory is sufficient to address any gaps in formal education or specific coursework and to ensure competency in the discipline. These stakeholders explained that firearms/toolmarks training programs are comprehensive, highly specialized, and closely supervised, enabling individuals to acquire the necessary knowledge and skills within a three-year period. Reducing the required years of experience in this limited context maintains public safety and professional standards while promoting consistency, fairness, and efficiency in the licensing process. The adoption allows the Commission to continue ensuring that licensed firearms/toolmarks analysts and technicians are qualified and competent, while recognizing equivalent, discipline-specific experience that adequately substitutes for formal education and specific college courses.

Summary of Comments. The public comment period on the rule proposal began on June 12, 2026, and ended on July 14, 2026. The Commission did not receive any comments.

Statutory Authority. The rules are adopted under the Commission's general rulemaking authority provided in Code of Criminal Procedure, Article 38.01 §3-a and its authority to establish the qualifications for a forensic analyst license under §4-a(d).

Cross reference to statute. The adoption affects Code of Criminal Procedure, Article 38.01.

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

Filed with the Office of the Secretary of State on August 20, 2026.

TRD-202603655
Leigh Tomlin
Associate General Counsel
Texas Forensic Science Commission
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Proposal publication date: June 12, 2026
For further information, please call: (512) 936-0661

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SUBCHAPTER D. PROCEDURE FOR PROCESSING COMPLAINTS AND LABORATORY SELF-DISCLOSURES

37 TAC §651.307

The Texas Forensic Science Commission (Commission) adopts an amendment to §651.307, Investigative Panels, to change the section title from "Investigative Panels" to "Investigative Procedures" to more accurately reflect that investigations may be conducted by either an investigative panel or Commission staff without changes to the text as published in the June 12, 2026, issue of the *Texas Register* (51 TexReg 3874). The rule will not be republished.

Reasoned Justification for Rule. The Commission adopts an amendment to §651.307 to change the section title from "Investigative Panels" to "Investigative Procedures." The amendment is necessary to accurately reflect the scope of investigative authority provided in the rule, which permits the Commission to conduct investigations either through the appointment of an investigative panel or by directing Commission staff to conduct the investigation. The current section title may lead to confusion because it suggests that investigations may only be conducted by investigative panels. Renaming the section improves clarity and consistency within the rules and ensures the title accurately reflects existing investigative practices authorized by the Commission.

Summary of Comments. The public comment period on the rule proposal began on June 12, 2026, and ended on July 14, 2026. The Commission did not receive any comments.

Statutory Authority. The rules are adopted under the Commission's general rulemaking authority provided in Code of Criminal

Procedure, Article 38.01 § 3-a and its authority to investigate and regulate crime laboratories and forensic analysts under Article 38.01 §§ 4, 4-a, and 4-d.

Cross reference to statute. The adoption affects Code of Criminal Procedure, Article 38.01.

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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Leigh Tomlin
Associate General Counsel
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For further information, please call: (512) 936-0661

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TITLE 40. SOCIAL SERVICES AND ASSISTANCE

PART 20. TEXAS WORKFORCE COMMISSION

CHAPTER 815. UNEMPLOYMENT INSURANCE

SUBCHAPTER B. BENEFITS, CLAIMS, AND APPEALS

40 TAC §815.16

The Texas Workforce Commission (TWC) adopts amendments to the following section of Chapter 815, relating to Unemployment Insurance:

Subchapter B. Benefits, Claims, and Appeals, §815.16

Amended §815.16 is adopted without changes to the proposal, as published in the June 19, 2026, issue of the *Texas Register* (51 TexReg 4006), and, therefore, the adopted rule text will not be published.

PART I. PURPOSE, BACKGROUND, AND AUTHORITY

The purpose of the Chapter 815 rule change is to add clear guidelines on the applicability of time zone differences in determining whether a petitioner has shown good cause for failure to appear at a hearing, pursuant to the provisions of §815.16(5)(B).

This amendment to the rule formalizes and modernizes the intent of TWC Appeals Precedent Case No. 93-014606-10*-101993 (MS 30.00(4)), a Commission precedent initially adopted in 1993 when telephone conference hearings were less frequent and the total volume of hearings was significantly lower. Telephone conference calls are now the default method of conducting hearings, and the consistent increase in the total number of hearings makes consideration of time zones generally applicable.

Also, with the increase in total hearing volume, the physical locations of hearing officers are no longer limited to the Central time zone used in hearing notices. The rule change modernizes the guidelines by specifying that the good cause analysis relies on the difference between the petitioner's time zone and the time zone used in the hearing notice (Central time zone), regardless of the hearing officer's time zone.

PART II. EXPLANATION OF INDIVIDUAL PROVISIONS

(Note: Minor editorial changes are made that do not change the meaning of the rule and, therefore, are not discussed in the Explanation of Individual Provisions.)

SUBCHAPTER B. BENEFITS, CLAIMS, AND APPEALS

TWC adopts the following amendments to Subchapter B:

§815.16. Appeals to Appeal Tribunals from Determinations

Section 815.16 is amended to add paragraph (5)(D) to define the circumstances under which a time zone difference between the petitioner's location and the time published in the hearing notice establish good cause for the petitioner to fail to participate in a hearing. Good cause for missing a prior hearing may be established if the petitioner makes a good faith effort to participate in the hearing but calls in untimely solely because of a time zone difference between the petitioner's location and the (Central) time zone expressed in the hearing notice.

PART III. PUBLIC COMMENTS

No comments were received on the rules. The comment period ended on July 20, 2026.

PART IV. STATUTORY AUTHORITY

The rule is adopted under:

--Texas Labor Code §212.001, which provides that the manner in which unemployment insurance hearings and appeals are conducted must be in accordance with rules adopted by TWC.

--Texas Labor Code, §301.0015(a)(6), which provides TWC with the authority to adopt, amend, or repeal such rules as it deems necessary for the effective administration of TWC services and activities.

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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Les Trobman
General Counsel
Texas Workforce Commission
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For further information, please call: (737) 301-9662

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