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## Regulatory Alert

July 6 2009

### DBF ISSUES PROPOSED REGULATIONS

Earlier this week, on July 13, 2009, the Department of Banking and Finance issued a Notice of Proposed Rulemaking and Opportunity for Comment. Many of the proposed rule changes are necessary due to statutory changes made in the DBF Housekeeping Bill in the 2009 session of the General Assembly. Comments on these proposed amendments to the DBF Rules and Regulations are due by close of business on August 13, 2009. The proposed rules may be accessed at the following link: [http://dbf.georgia.gov/vgn/images/portal/cit\\_1210/60/28/145778121DBFProposedRules7-13-2009 .pdf](http://dbf.georgia.gov/vgn/images/portal/cit_1210/60/28/145778121DBFProposedRules7-13-2009.pdf)

The bulk of the proposed rules do not apply to banks. They largely relate to check cashers, money transmitters and mortgage licensees, especially the new requirements regarding mortgage loan originators. However, the first two proposed rules do relate to banks. Rules 80-1-5-.01 and 80-1-5-.11 are designed to implement the changes made in the 2009 DBF Housekeeping Bill in regard to the limit on loans to one borrower (i.e. legal lending limit) and are intended to deal with "stacking."

CBA needs your input on these proposed rules to determine the need for comments to the Department. Upon initial review of these proposed rules, the primary issue that comes to mind is the fact that the proposed rules do not contain any transitional provisions. It may not be necessary that such transitional guidance be an official part of the rule. However, some transitional guidance in regard to situations where a loan may exceed the legal lending limit under this new rule, but was legal when it was originally made, would seem to be in order.

Please take the time to review these proposed rules, especially the two rules dealing with the legal lending limit: Rules 80-1-5-.01 and 80-1-5-.11, and send any comments or concerns you have to [Jason Pruitt](mailto:Jason.Pruitt@cbaofga.com) at CBA for our use in formulating a comment letter to the DBF.

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### Community Bankers Association of Georgia

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