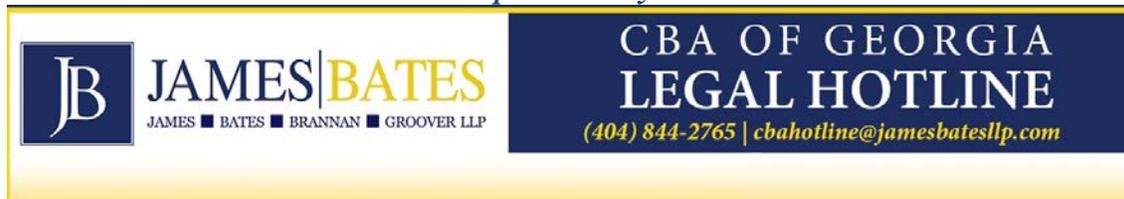


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Issue II

Community Bankers Association of Georgia
1900 The Exchange, Suite 600 • Atlanta, GA 30339
Phone: (770) 541-4490 / (800) 648-8215 • Fax: (770) 541-4496

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GENERAL COMMENTS

The 2017 session of the Georgia General Assembly resumed this past Monday, January 23, 2017, following the Martin Luther King, Jr. holiday and budget meetings last week. The session is moving at a good pace with Thursday, January 26, 2017, completing the eighth Legislative Day of the 40-day session.

There are several major issues facing our Legislators this session:

- Education Initiatives, including Chronically Failing Schools
- Cyber Security and Data Integrity
- Casino Gaming

Activity on banking-related legislation was minimal this week. The Senate Banking and Financial Institutions Committee met on Wednesday and adopted their Committee Rules for 2017. The first meeting of the House Banks and Banking Committee has not been scheduled yet, but should happen within the next couple of weeks.

As a reminder, please plan to attend [CBA's Day at the Capitol](#) on Wednesday, February 15, 2017. It is a great opportunity to network with bankers and legislators from around the state and discuss our industry's issues. Your legislators are already sending in their positive RSVPs. Please, do the same and register today! Additionally, please contact [your local senators and representatives](#) and ask them to attend!

LEGISLATION WE ARE TRACKING

[HB 39—Real Estate Professionals](#), by Rep. Alan Powell (R), Hartwell, relates to real estate appraisers and real estate brokers and salespersons. The bill changes certain provisions relating to disciplinary actions and sanctions permitted for failure to provide notification of certain offenses. We will continue to track its progression.

[HB 49—Livestock Dealer and Auctions](#), by Rep. Clay Pirkle (R), Ashburn, updates license and surety requirements of livestock dealers and livestock market operators. The bill adds letters of credit, certificates of deposit and other instruments issued by lending institutions to the surety bond options for livestock dealers and licensed auction houses to use as bond to cover losses resulting from the failure to pay the purchase price for animals being sold. We will continue to track its progression.

[HB 66—Money Transmissions Transactions](#), by Rep. Jeff Jones (R), Brunswick, is an updated version of [HB 12—Money Transmissions Transactions](#) that was pre-filed on November 28, 2016. The bill proposes to provide for imposition of certain fees upon money transmission transactions completed by financial institutions. This version of the bill attempts to exempt closed loop transactions; bank, credit union, or brokerage engaging in the business of transmitting money or monetary value from an account or on behalf of a depositor; or, transmission or transmitting money or monetary value that is only to be received or retrieved at a physical location within this state. While the bill attempts to exempt banks from the legislation, the draft only contemplates depositors of the bank and does not address non-depositors. The burden to financial institutions would be the fees generated through this bill would be paid into the state treasury with the financial institution only retaining five percent of the combined total amount of all fees reported; and, this bill would impose certain reporting requirements. We have heard that tweaks are being made to the bill in an effort to exempt banks from the requirements all together. We will continue to closely monitor changes to the bill.

[HB 82—Personal Information; Notice Required When Data Released to Unauthorized Persons](#), by Rep. Sheri Gilligan (R), Cumming, requires an information broker or data collector to provide notice in the same manner as for a breach in security of the system when personal information maintained on individuals by such broker or data collector is released to unauthorized persons. We will continue to watch this bill in an effort to determine what the bill contemplates as to the definition of information broker or data collector. While this bill may not impact banks directly, it is a topic of interest for protecting personal information of Georgia residents.

[HB 120—Notary Public Revisions](#), by Rep. Andrew Welch (R), McDonough, is the “Revised Georgia Law on Notarial Acts of 2018” and makes significant changes to the current law governing notarial acts and notary publics. Similar bills have been presented the last several years, but did not pass. This bill would set new standards for the performance of notarial acts, upgrade the qualification requirements to receive a commission as a notary public and include requiring criminal background checks. Also it will require certain training and the passage of a test and gives the Georgia Superior Court Clerks’ Cooperative Authority the responsibility for writing rules and regulations to implement this Act and govern notary publics. This bill should not impact banks but we will continue to track it.

[HB143—Financial Institutions](#), by Rep. Bruce Williamson (R), Monroe, is the Department of Banking and Finance’s Annual Housekeeping Bill. The bill includes the following provisions related to banks:

- Revises the calculation for legal lending limits
- Gives the ability of the Department to directly examine third-party service providers
- Clarifies the Department’s subpoena powers
- Gives state chartered institutions the ability to conduct business on Sundays to give them parity with national banks
- Adds the option of providing minors electronic access to accounts
- Authorizes collection of convenience fees for the election of payments by electronic means
- Expands the circumstances for removal of directors and vacancies within the Board of Directors
- Provides procedures for receivership of a trust company
- Prohibits certain pledges or liens by a trust company
- Provides minimum capital levels to be maintained by a trust company
- Updates procedures for issuing subordinated securities
- Provides for the registration and examination of bank holding companies

We will continue to closely monitor this bill as it proceeds through the House Banks and Banking Committee.

[SB 2—The FAST Act – Fairness, Accountability, Simplification, and Transparency – Empowering Our Small Businesses to Succeed](#), by Sen. Mike Dugan (R), Carrollton, requires all state and local regulatory agencies to establish easily accessible schedules that set out the fees and mandatory turnaround times for permits needed to start or operate a business. If a government agency fails to meet the posted schedule to approve or deny a permit, the fee will be reduced by 10 percent for every 10 days that the deadline goes unmet. The bill creates a new “Building and Infrastructure Transparency Score” for every local government agency in Georgia. The scores will be publicly

available. This bill should be positive for small businesses including banks.

Other Items

Potential legislation in coming weeks: abandoned mobile homes, prize-linked savings accounts, statewide lien registry, business judgment rule/director liability, operation choke point—firearms discrimination, and uniform power of attorney.

There have been preliminary discussions about a potential foreclosure bill that would prohibit contractual waiver of notice of a confirmation of real estate sold on foreclosure. The bill would also provide for certain requirements for collecting upon judgments on obligations secured by deed to secure debt, mortgage, or other lien against real estate. We are in conversations with the potential author of the bill to discuss negative impacts to our banks as this potential bill would have a significant impact to the foreclosure process for all institutions.

FINAL COMMENTS

For a recap of key legislative issues throughout the session, please follow CBA's weekly **Legislative Updates** sponsored by **James-Bates-Brannan-Groover-LLP**, CBA's General Counsel, and provide us with any feedback you have. If you have questions about legislative issues or specific bills, please do not hesitate to contact [Rob Braswell](mailto:Rob.Braswell@cbaofga.com) or [Lori Godfrey](mailto:Lori.Godfrey@cbaofga.com) by email or by calling the CBA office at (770) 541-4490 / (800) 648-8215. We continue to welcome and appreciate comments and input from community bankers regarding specific legislation and legislative issues. We look forward to seeing you at **CBA's Day at the Capitol on Wednesday, February 15, 2017**.

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1900 The Exchange Suite 600 • Atlanta 30339 • Phone: (770) 541-4490 • Fax: (770) 541-4496
Email: legislative@cbaofga.com • <http://www.cbaofga.com>

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