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*Issue VI*

*Community Bankers Association of Georgia*  
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## GENERAL COMMENTS

The Legislature was in session on Tuesday through Friday of this week completing the 24<sup>th</sup> Day of the 40-day session. There are only four days left until crossover day, which is Day 28 this year. While there has not been a lot of movement on bills we are watching, this week has been very busy with listening to committee meetings and watching draft legislation for any significant changes that could potentially be detrimental to our industry.

[HB 192—Business Judgment Rule/Director Liability](#), by Rep. Beth Beskin (R), Atlanta, was heard by the [Kelley Subcommittee](#) of the House Judiciary (Civil) Committee on Monday, February 20<sup>th</sup>. The hearing lasted approximately four and a half hours. Rob Braswell testified on behalf of the CBA. There were a number of proponents for the bill who testified during the hearing; however, there was one opponent of the bill. Members of the subcommittee had a number of questions about intent, definitions and other items in the bill. A particular sticking point for Subcommittee members is the definition of *Gross Negligence* (the threshold before a bank or corporation director could be sued). Chairman Wendell Willard indicated that changes are needed before consideration can be given to the bill. A working group is drafting substitute language for the bill in hopes of bringing the language to the Subcommittee early next week. While the hurdle to get all Subcommittee members on board with a revised bill is high, we remain optimistic that a bill can get approved by the Subcommittee and through the House before crossover day. **Please click on the links to see the members of the [House Judiciary Committee](#) and a [document with talking points](#) that was compiled by many interested parties in favor of the bill. If any members of the Judiciary Committee are your representatives or representatives you know very well, we encourage you and your bank's directors to contact them to express support for HB 192.**

[HB 221—Powers of Attorney](#), by Rep. Chuck Efstration (R), Dacula, was passed by the House Judiciary subcommittee on February 22<sup>nd</sup>. A substitute bill was presented during the subcommittee hearing that incorporated many of the changes we requested from Rep. Efstration. Many thanks to John Sillay of James-Bates-Brannan-Groover-LLP for his invaluable assistance on suggested modifications that greatly improved the bill on behalf of the banking industry. The improved, substitute bill was heard by the full Judiciary Committee on February 23<sup>rd</sup> and was passed. **Please note: the link to the substitute bill will not be available until midnight tonight.** CBA will continue to monitor the bill's progress.

#### NEW LEGISLATION THAT WE ARE TRACKING THIS WEEK

[HB 357—Georgia Uniform Certificate of Title for Vessels Act](#), by Rep. Ron Stephens (R), Savannah, provides for titling of certain vessels; provide for procedures with regard to titling such vessels; provide for a cap on the sales and use tax on the purchase or lease of a vessel; and for other purposes. The bill was assigned to the Ways and Means Committee. The bill was passed by the Ways and Means Committee on February 23<sup>rd</sup>. CBA will continue to monitor this bill.

[HB 417—Abandoned Motor Vehicles](#), by Rep. Wendell Willard (R), Sandy Springs, would provide for duties for a person removing or storing a motor vehicle or trailer; provide for the sending of notices by the Department of Revenue or authorized entities to owners of abandoned motor vehicles or trailers prior to foreclosure of a lien; provide for the creation of a lien; provide for a foreclosure process; and for other purposes. The bill was assigned to the Motor Vehicles Committee. CBA will continue to monitor this bill.

[HB 434—Eminent Domain](#), by Rep. Wendell Willard (R), Sandy Springs, would provide for an exception to the requirement that condemnations not be converted to any use other than a public use for 10 years from the initial condemnation; and for other purposes. The bill was assigned to the Judiciary Committee which passed the bill on February 23<sup>rd</sup>. CBA will continue to monitor this bill.

[HB 441—Self-Settled Spendthrift Trusts](#), by Rep. Barry Fleming (R), Harlem, would establish qualified self-settled spendthrift trusts; provide for exceptions for spendthrift provisions of trusts which are not within qualified self-settled spendthrift trusts; provide for claims by creditors for such trusts; provide for the creation of such trusts; provide for transfers for such trusts; provide for vacancies of trustees; provide for standards for such trusts to be considered nonrevocable; provide for beneficiary rights to withdrawal; provide for claims of relief; and for other purposes. The bill was assigned to the Banks and Banking Committee. CBA will continue to monitor this bill.

[HB 456—Acquisition and Loss of Property](#), by Rep. Debra Bazemore (D), Riverdale, would provide for requirements for the execution of executory contracts for the conveyance of real property; provide for notice requirements to the purchaser; provide for a period of cancellation and rescission; provide for requirements for the enforcement of remedies of defaults under executory contracts for the conveyance of real property; and for other purposes. The bill was assigned to the Judiciary Committee. CBA will continue to monitor this bill.

[HB 459—Illegal and Void Contracts](#), by Rep. Sam Teasley (R), Marietta, would provide for clauses which are void and unenforceable in contracts for the sale of residential real estate; and for other purposes. The bill was assigned to the Judiciary Committee. CBA will continue to monitor this bill.

[SB 187—Assessments Against Lot Owners](#), by Sen. Donzella James (D), Atlanta, relates to assessments against lot owners as constituting a lien in favor of association, additional charges against lot owners, procedure for foreclosing lien, and obligation to provide statement of amount due, so as to set forth conditions for the foreclosure of liens; and for other purposes. The bill was assigned to the Judiciary Committee. CBA will continue to monitor this bill.

[SB 194—Garnishments](#), by Sen. Jesse Stone (R), Waynesboro, relates to garnishment proceedings, so as to change the maximum part of disposable earnings subject to garnishment and conform the form used there with; changes provisions relating to serving the defendant; changes provisions relating to the introduction of evidence and how judgments are paid; and for other purposes. The bill was assigned to the Judiciary Committee which passed the bill on February 23<sup>rd</sup>. CBA will continue to monitor this bill.

[SB 198—Industrial Loans](#), by Sen. Elena Parent (D), Atlanta, would prohibit false advertising relative to industrial loans, so as to prohibit persons engaged in the business of making industrial loans from issuing payment instruments which create a loan contract upon redemption, unless a previous contract has been entered into between the two parties; and for other purposes. The bill was assigned to the Banking and Financial Institutions Committee. CBA will continue to monitor this bill.

[SB 213—Banking Improvement Zones](#), by Sen. Joshua McKoon (R), Columbus, would provide for the establishment of banking improvement zones to encourage opening of financial institutions in areas underserved by financial institutions; provide for application and standards of approval for a banking improvement zone; provide for establishment of an agreement for the deposit of public funds in financial institutions within a banking improvement zone; and for other purposes. The bill was assigned to the Banking and Financial Institutions Committee. CBA will continue to monitor this bill.

## OTHER LEGISLATION WE ARE TRACKING THAT HAD ACTIVITY THIS WEEK

[HB 49—Livestock Dealer and Auctions](#), by Rep. Clay Pirkle (R), Ashburn, was passed by the Senate Agriculture and Consumer Affairs Committee on February 16<sup>th</sup>. CBA will continue to monitor this bill.

[HB 150—Toll Powers](#), by Rep. Alan Powell (R), Hartwell, was passed/adopted by substitute by the House on February 22<sup>nd</sup>. CBA will continue to monitor this bill.

[HB 162—Setoff Debt Collection](#), by Rep. Betty Price (R), Roswell, was passed by the House Judiciary Committee on February 9<sup>th</sup>. CBA will continue to monitor this bill.

[HB 190—Marriages](#), by Rep. Meagan Hanson (R), Brookhaven, was passed by substitute by the House Judiciary Committee on February 9<sup>th</sup>. CBA will continue to monitor this bill.

[HB 337—State Tax Execution Modernization Act](#), by Rep. Bruce Williamson (R), Monroe, was reassigned from House Judiciary Committee to the House Ways and Means Committee on February 21<sup>st</sup>. The bill passed the Ways and Means subcommittee on February 22<sup>nd</sup>. The bill passed the House Ways and Means Full Committee on February 23<sup>rd</sup>. CBA will continue to monitor this bill.

[HB 353—Title Pawn](#), by Rep. Brett Harrell (R), Snellville, was passed by the Regulated Industries subcommittee on February 23<sup>rd</sup> with two amendments. CBA will continue to monitor this bill.

[SB 2—The FAST Act—Fairness, Accountability, Simplification, and Transparency—Empowering our Small Businesses to Succeed](#), by Sen. Mike Dugan (R), Carrollton, was assigned to the House Small Business Development Committee. CBA will continue to monitor this bill.

[SB 71—Bankruptcy Exemptions](#), by Sen. Jesse Stone (R), Waynesboro, was passed by the Senate on February 21<sup>st</sup> and was referred to the House.

[SB 87—Bankruptcy Exemptions](#), by Sen. Jesse Stone (R), Waynesboro, was assigned to the House Judiciary Committee. CBA will continue to monitor this bill.

## 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](#) or [Lori Godfrey](#) 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.

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