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Issue III

*Community Bankers Association of Georgia
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February 3, 2017

GENERAL COMMENTS

The Legislature was in session on Monday through Thursday of this week completing the 12th Day of the 40-day session. The [adjournment schedule](#) for the remainder of the session was established. Day 30, or crossover day, will be March 9, 2017, and the last day of the session will be March 30, 2017.

Activity on banking-related legislation picked up this week. The first meeting of the House Banks and Banking Committee was held on Wednesday, February 1, 2017. The Committee approved their Rules and Rep. Bruce Williamson (R), Monroe, presented [HB143—Financial Institutions](#) to the Committee, which is the Department of Banking and Finance’s Annual Housekeeping Bill. We expect the Committee to vote on the bill at their meeting next week.

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, was a do pass from the Regulated Industries Committee. CBA will continue to track its progression.

[HB 49—Livestock Dealer and Auctions](#), by Rep. Clay Pirkle (R), Ashburn, was passed by the House and referred to the Senate. CBA will continue to track its progression.

[HB 87—Corporate Registrations](#), by Rep. Brad Raffensperger (R), Johns Creek, would make the current annual registration for corporations valid for up to three years. We will continue to track its progression.

[HB 121—Trust Powers Revision](#), by Rep. Chuck Efstration (R), Dacula, deals with minor or unborn beneficiaries; changes provisions relating to non-judicial settlement agreements, the modification and termination of non-charitable trusts, and distribution to another trust; and changes provisions relating to modification or termination of uneconomic trusts. The bill passed both the House Judiciary and House Rules Committees. CBA is supportive of this bill.

[HB 122—Uniform Statutory Rule Against Perpetuities](#), by Rep. Chuck Efstration (R), Dacula, changes the provisions relating to the validity of non-vested property interest or power of appointment; and, changes provisions relating to reform of disposition by court to approximate transferor's plan of distribution among other things. The bill increases the vesting or termination from 90 years to 360 years after its creation. The bill passed both the House Judiciary and House Rules Committees. CBA is supportive of this bill.

[HB 150—Toll Powers](#), by Rep. Alan Powell (R), Hartwell, would revise general toll powers, police powers, and rules and regulations of the State Road and Tollway Authority and definitions relative to setoff debt collection by the Department of Revenue. The bill would allow owner's motor vehicle registrations to be placed on hold for any unpaid toll balances or administrative fees relating to recovery of the cost of collecting the toll. We will continue to track this bill.

[HB 162—Setoff Debt Collection](#), by Rep. Betty Price (R), Roswell, would revise procedures for the transfer of setoffs by the Administrative Office of the Courts to the court to whom the debt is owed. We will continue to track this bill.

[HB 190—Marriages](#), by Rep. Meagan Hanson (R), Brookhaven, would change provisions relating to marriage articles and clarify provisions relating to antenuptial agreements among other things. We will continue to track this bill.

[HB 192—Business Judgment Rule/Director Liability](#), by Rep. Beth Beskin (R), Atlanta, would change provisions relating to the responsibilities and standard of care of directors and officers of banks, trust companies, and corporations; clarifies and expands the ability of directors and officers to rely on other individuals in the performance of their duties; shields directors and officers from liability for monetary damages to the corporation, its shareholders, and certain other parties in the absence of gross negligence; clarifies the burden of proof applicable in civil proceedings brought against directors and officers; changes provisions relating to the standards of conduct for directors and officers of corporations among other things. The bill is in response to the case of *Federal Deposit Insurance Corporation v. Loudermilk, et. al.*, 295 Ga. 579 (2014). CBA supports this bill.

[HB 197—Fair Business Practices Act](#), by Rep. Sam Teasley (R), Marietta, would provide for requirements for solicitation of services for obtaining a copy of an instrument conveying real estate. CBA will continue to monitor its progress.

[HB 203—Condominiums](#), by Rep. Brian Strickland (R), McDonough, relates to limitations of actions relative to breach of restrictive covenant so as to provide for accrual periods of rights of action; relates to property, so as to provide for the expansion of a condominium after the declarant's right to expand has expired and provide for procedures for such expansion; provides for the procedure and right of certain property owners to take control of a condominium association, property owner's association, or entity created pursuant to covenants restricting land to certain uses affecting certain planned subdivisions. CBA will continue to monitor its progress.

[HB 204—Ad Valorem Taxation](#), by Rep. Brett Harrell (R), Snellville, provides that property tax bills shall not include any nontax related fees or assessments. CBA will continue to monitor its progress.

[HB 221—Powers of Attorney](#), by Rep. Chuck Efstration (R), Dacula, would update and conform provisions relating to powers of attorney to a uniform Act. CBA is closely reviewing the bill for liability implications for financial institutions and will continue to monitor its progress.

[SB 2—The FAST Act – Fairness, Accountability, Simplification, and Transparency – Empowering Our Small Businesses to Succeed](#), by Sen. Mike Dugan (R), Carrollton, was heard by the Economic Development and Tourism Committee on January 31, 2017. A substitute bill is expected before the next Committee meeting on February 7, 2017. CBA will continue to track its progression.

[SB 71—Bankruptcy Exemptions](#), by Sen. Jesse Stone (R), Waynesboro, would add Health Savings Accounts and Medical Savings Accounts to the list of property that is exempt from bankruptcy. The bill was referred to the Senate Judiciary Committee. CBA will continue to monitor its progress.

[SB 86—Foreclosure Confirmation Waiver Prohibition](#), by Sen. Jesse Stone (R), Waynesboro, adds judgments and levies to the real estate sales subject to a mandatory confirmation process in order to pursue a deficiency. This bill also prohibits contracts from including language to waive the requirement. CBA opposes the bill.

[SB 87—Bankruptcy Exemptions](#), by Sen. Jesse Stone (R), Waynesboro, provides for exemptions for purposes of bankruptcy and intestate insolvent estates and provides for the discharge of judgments against exempt property in bankruptcy. CBA will continue to monitor its progress.

OTHER ITEMS

Potential legislation in coming weeks: abandoned mobile homes, prize-linked savings accounts, statewide lien registry, and operation choke point—firearms discrimination.

There were preliminary discussions about a potential foreclosure bill that would prohibit contractual waiver of notice of a confirmation of real estate sold on foreclosure. We participated in providing feedback to the potential sponsor of the draft bill reflecting the negative impacts to our banks. We are not expecting the bill to be introduced at this point, but we will update you if anything changes.

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. We look forward to seeing you at **CBA's Day at the Capitol on Wednesday, February 15, 2017**.

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