

SENATE BANKING AND FINANCIAL INSTITUTIONS COMMITTEE
2013 MEMBERS

Senator John Crosby, Chairman
District 13
P.O. Box 891
Tifton, GA 31793
Phone: 404-463-5258
Fax 404-657-0459

Senator Ed Harbison
District 15
P.O. Box 1292
Columbus, GA 31902
Phone: 404-656-0074
Fax: 404-463-5547

Senator Jesse Stone, Vice-Chairman
District 23
642 Liberty Street
Waynesboro, GA 30830
Phone: 404-463-1314
Fax: 404-463-1388

Senator Emanuel Jones
District 10
P.O. Box 370244
Decatur, GA 30037
Phone: 404-656-0502
Fax: 404-657-9728

Senator Butch Miller, Secretary
District 49
2420 Browns Bridge Road
Gainesville, GA 30504
Phone: 404-656-6578
Fax: 404-651-6768

Senator Jeff Mullis
District 53
212 English Avenue
Chickamauga, GA 30707
Phone: 404-656-0057
Fax: 404-651-6768

Senator Don Balfour, Ex-Officio
District 9
2312 Waterscape Trail
Snellville, GA 30078
Phone: 404-656-0095
Fax: 404-651-6767

Senator Cecil Staton
District 18
P.O. Box 26427
Macon, GA 31221
Phone: 404-656-5039
Fax: 404-651-6768

Senator David Shafer, Ex-Officio
District 48
P.O. Box 880
Duluth, GA 30096
Phone: 404-656-0048
Fax: 404-463-5220

Senator Steve Thompson
District 33
1170 Longwood Drive
Marietta, GA 30008
Phone: 404-656-0083
Fax: 404-657-9728

Senate Banking and Financial Institutions Committee

2013 Rules of Operation

1. These Committee Rules of Operation shall be consistent with the Senate Rules regarding establishment of Rules of Operation.
2. All meetings of the Committee shall be open to the public in accordance with Senate Rule 1-5.1
3. The Committee shall meet at the time and place designated by the Secretary of the Senate and approved by the Committee on Administrative Affairs.
4. The Committee quorum shall be six (6) members.
5. The Chairman shall determine bills and resolutions to be considered and the order in which such are called.
6. The Chairman shall have the authority to refer bills and resolutions to subcommittees for study. Such subcommittees shall have the authority to make recommendations to the full committee. All actions of any subcommittee shall be approved or disapproved by the standing committee.
7. The Committee shall convene, recess, and adjourn upon the order of the Chairman.
8. Committee rules may be amended by a two-thirds vote of the full membership of the Committee.
9. A bill, resolution, or other matter shall be considered only after presentation by its principal author or his or her designee. The principal author shall be notified in writing at his or her Capitol office no less than twenty-four (24) hours prior to the scheduled presentation. In the event more than one member of the General Assembly has signed a measure, the principal author shall be the one whose name appears first in the list of authors.
10. Precedence of motions shall be as set out in Senate Rule 2-5.3.
11. The proceedings of all meetings shall be reduced to writing. The recording of the minutes of the committee and subcommittee meetings shall comply with Senate Rule 2-1.7(d)

12. Any member or members of the committee who disagree with the majority committee report shall have the privilege of filing a minority report. The minority report must state succinctly the reasons for the dissent.

13. Where the Committee rules are silent on a specific issue, the Rules of the Senate shall apply.

The Senate Banking and Financial Institutions Committee met on February 13, 2013 at 1:00 p.m. in Room 310 CLOB.

Members present:

Crosby, 13th, Chairman
Stone, 23rd, Vice-Chairman
Miller, 49th, Secretary
Balfour, 9th, Ex-Officio
Mullis, 53rd
Staton, 18th
Thompson, 33rd
Harbison, 15th
Jones, 10th

The Chairman opened the meeting at 1:06 p.m. First order of business was adopting the Rules for the Senate Banking and Financial Institutions Committee for the 2013-14 term.

Balfour, 9th, made the motion to change the quorum from 5 members to 6 which would be 50% plus 1. Staton, 18th, seconded the motion. The vote was unanimous. The Rules were amended to state a quorum will be 6 members.

The first bill on the agenda was SB 56 presented by Senator Stone, 23rd.

[SB 56](#) (Stone, 23rd)(LC 29 5379) Foreclosures and Assessments on Condominium Units Senator Stone, 23rd, explained that under this bill, certain mortgage holders take the title of foreclosures of condominium (condo) properties subject to a lien in favor of the condo association. And this bill also requires certain lot holders to take the title of foreclosed lot properties subject to a lien in favor of the lot owner or property owners' association. Currently 14 states have adopted this legislation.

Harbison, 15th, made the statement that on Page 2, line 29, the language would pass the lien onto the home buyer and not the seller who incurred the debt.

Staton, 18th, said this bill has practical implications.

Jones, 10th, asked how these fees would apply in a short sale. Stone, 23rd, stated that that would be settled between the seller and the homebuyer.

Those speaking in favor of SB 56:

Rick Hamilton, Riverside HOA
Julie Howard, Community Associations Institute

Phil Smith, McGill Park Condo Association
Michael Crevy, Homeowner Management Services
Lanier Coulter, CAI

Those speaking against SB 56:

Elizabeth Chandler, Georgia Bankers Association
Mike Culbertson, Georgia Credit Union Affiliates
Steve Bridges, Community Bankers Association
Kirby Thompson, SunTrust Bank

Thompson, 33rd, made a statement that this bill is geared towards protecting Home Owners Associations and it is not good public policy to pass laws that would protect a private organization. He was also concerned with the creditability and accountability of such organizations.

The Chairman stated this bill needs more thought and discussion and named a sub - committee to hear [SB 56](#). The Sub-committee members are:

Balfour, 9th, Chair
Thompson, 33rd
Stone, 23rd.

With no further business to discuss, the Chairman adjourned at 2:05 p.m.

Respectfully submitted,

/s/ Kathleen Cominski, Recording Secretary

/s/ Senator Miller, 49th, Secretary

The Senate Banking and Financial Institutions Committee met on February 22, 2013 at 1:00 p.m. in Room 450 Capitol.

Members present:

Crosby 13th, Chairman
Stone, 23rd, Vice-Chairman
Miller, 49th, Secretary
Balfour, 9th, Ex-Officio
Harbison, 15th
Jones, 10th
Mullis, 53rd
Staton, 18th
Thompson, 33rd

The Chairman called the meeting to order at 1:10 p.m. The first bill on the agenda was SB 139.

SB 139 (Miller, 49th) (LC 39 0372) Restrictions and caps on closing fees, money advances, and credit extensions

Senator Miller explained the bill stating that this bill allows lenders and sellers to charge closing fees on money advances or credit extensions up to 4% of the loan or contract and \$50.00 and the closing fees cannot be added to the principal.

Some discussion took place concerning which type of contracts this would affect. The Industrial Loan industry has a cap through law on the interest and fees charged. Thompson, 33rd, suggested we clarify which type of loan this is applying to to clarify the bill.

Language was added by deleting subsection C of Section 1 and inserting the following:

“(c) This Code section shall only apply to industrial loans made pursuant to Chapter 3 of Title 7, retail installment and home solicitation sales contracts entered into pursuant to Article 1 of Chapter 1 of Title 10, and insurance premium finance agreements entered into pursuant to Chapter 22 of Title 33; provided, however, that a closing fee authorized under this Code Section shall not constitute interest, a time price differential, a finance charge, or a service charge within the meaning of Code Section 7-3-15, 10-1-4, or 33-22-9.”

Stone, 23rd, made a motion do pass by substitute, seconded by Miller 49th. The vote was unanimous.

SB 139 Do pass by substitute

With no further business, the meeting was adjourned at 1:45 p.m.

Respectfully submitted,

/s/ Kathleen Cominski, Recording Secretary

/s/ Senator Miller, 49th, Secretary

The Senate Banking and Financial Institutions Committee met on March 14, 2013 at 4:30 p.m. in Room 310 CLOB.

Members present:

Crosby, 13th, Chairman
Stone, 23rd, Vice-Chairman
Miller, 49th
Balfour, 9th, Ex-Officio
Thompson, 33rd
James, 35th, (Ex-Officio 3/14/13)

The Chairman called the meeting to order at 4:45 p.m. The Chairman called on Representative Kelley, 16th, to present the bill.

[HB 289 \(Kelley 16th\) \(LC 29 5553S\) Remittance Transfers](#)

Representative Kelley stated this bill provides Article 4A of the Uniform Commercial Code (UCC) does apply to a remittance that is not an electronic funds transfer under the EFTA. The bill then restates the rules of the supremacy clause that the federal statute will control in the case of any conflict.

Representative Kelley stated this is clean up legislation to the Dodd-Frank Wall Street Reform and Consumer Protection Act. Right now, Article 4A does not apply to a funds transfer if any part of it is governed by the EFTA. If there is no change to Article 4A, there could be legal uncertainty for a class of remittance transfers currently governed by Article 4A and covered in this bill.

Those supporting HB 289:

Elizabeth Chandler, Georgia Bankers Association
Joe Brannon, Georgia Bankers Association
Steve Bridges, Community Bankers
Kirby Thompson, SunTrust Bank
Mike Culbertson, Georgia Credit Union Affiliates

No one spoke against the bill.

Thompson, 33rd, made a motion Do pass, seconded by Stone, 23rd. The vote was unanimous

[HB 289 Do Pass](#)

The Chairman adjourned the meeting at 5:15 p.m.

Respectfully Submitted,

/s/ Kathleen Cominski, Recording Secretary

/s/ Senator Miller, 49th, Secretary

OFFICE OF THE LIEUTENANT GOVERNOR

240 State Capitol
Atlanta, Georgia 30334

Casey Cagle
Lieutenant Governor

March 14, 2013

Mr. Bob Ewing
Secretary of the Senate
353 State Capitol
Atlanta, GA 30334

Dear Bob:

In accordance with the Senate Rules, the Senate Committee on Assignments hereby appoints Senator Steve Gooch* and Senator Donzella James to serve as Ex-Officio members for the Senate Banking and Financial Institutions Committee meeting on March 14, 2013. This appointment shall expire upon the adjournment of the committee meeting.

Sincerely,

/s/ Casey Cagle
Lt. Governor Casey Cagle
President of the Senate

*Committee was able to reach quorum without Senator Gooch.

April 2, 2013

The Honorable Bob Ewing
Secretary of the Senate
State Capitol
Atlanta, GA 30334

Dear Mr. Secretary,

The Senate Banking and Financial Institutions Committee is returning the following Senate Bills:

[SB 56](#)

[SB 106](#)

[SB 108](#)

Respectfully submitted,

/s/ Kathleen Cominski, Recording Secretary