

FINANCIAL INSTITUTIONS TODAY

News and topics of interest to financial institutions regulated by the Department of Banking and Finance

May 2019

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Commissioner Hagler elected Chair-Elect of CSBS



On May 21, 2019, the Conference of State Bank Supervisors (CSBS) announced the election of Commissioner Kevin B. Hagler, as the new Chair-Elect for the CSBS Board of Directors. The election took place during the organization's annual membership meeting in San Antonio, Texas, where Commissioner Hagler was elected for the 2019-2020 term. Commissioner Hagler will serve on the CSBS Executive Committee in his role as Chair-Elect.

For over a century, CSBS has been a supportive force for state regulators dedicated to protecting and advancing the nation's dual banking system. CSBS aids state regulators by facilitating policy development; promoting economic growth; ensuring safety, soundness, and consumer protection; along with fostering innovative, responsive supervision.

Graduate School of Banking Graduation

Congratulations to Frankie Keeling and Jack Jackson on their graduation from the Graduate School of Banking on the campus of Louisiana State University in Baton Rouge, Louisiana. This concludes three on-campus, two-week sessions starting in May 2017 as well as ongoing coursework throughout the past 24 months.

The Department of Banking and Finance (Department) extends special thanks to the Georgia Bankers Association and the Robert Moler Scholarship that funded this opportunity. Commissioner Kevin Hagler stated that "successful completion of the Graduate School of Banking is a notable accomplishment and the Department was well represented by Jack and Frankie who are valuable members of our team. We really appreciate the partnership with the Georgia Bankers Association and use of the Robert Moler Scholarship to make this achievement possible."



Governor Kemp signs House Bill 185

Governor Kemp signed House Bill 185 into law on May 7, 2019, and it will go into effect on July 1, 2019. The bill was introduced by Representative Bruce Williamson at the request of the Department and sponsored in the Senate by Senator John Kennedy. The bill revises statutory provisions governing most of the entities regulated by the Department – banks, credit unions, trust companies, bank holding companies, money service businesses, mortgage lenders and brokers, and mortgage loan originators – as well as certain provisions addressing the Department's general powers.

Among other items, the bill:

- 1) removes barriers to forming de novo banks by authorizing out-of-state holding companies to form de novo banks as well as eliminating the expense fund requirement;
- 2) eliminates the appropriated retained earnings classification for banks;
- 3) aligns shareholder dissenter rights for banks with the corporate code;

- 4) expressly provides that if a credit union acquires a bank, the depositors and borrowers of the bank will be deemed members of the credit union at the time of the acquisition;
- 5) enables credit unions to adopt a policy to expel members for non-participation;
- 6) removes a limitation on the ability of credit unions to sell or purchase certain loans;
- 7) revises the bylaw requirements for credit unions;
- 8) renames the supervisory committee to the audit committee for credit unions; and
- 9) authorizes the Department to conduct background checks on directors and officers of de novo trust companies as well as directors and officers of entities that obtain control of a trust company.

The Department strongly encourages every regulated entity to review the bill to ensure a thorough understanding of all the applicable revisions. House Bill 185 can be viewed at: <http://www.legis.ga.gov/Legislation/20192020/185098.pdf>.

In addition, the Department issued proposed rules and regulations on May 30, 2019, to, among other items, implement some of the statutory changes contained in House Bill 185. The proposed rules can be viewed at: https://dbf.georgia.gov/sites/dbf.georgia.gov/files/related_files/document/2019%20DBF%20Proposed%20Rulemaking%205-30-2019.pdf.

Reminder: 2019 National Survey of Community Banks

The 2019 National Survey of Community Banks is now live! This survey is a key component of the Community Banking in the 21st Century Research and Policy sponsored by CSBS, the Federal Reserve System, and the Federal Deposit Insurance Corporation (FDIC). The results from the National Survey have enabled community banks to inform policymakers and researchers about the opportunities and challenges facing the community banking industry.

The survey should take approximately 20 minutes to complete and can be completed in different intervals. We ask that you complete the National Survey by **June 30, 2019**, so we can analyze and present the findings in the national publication released during the seventh annual *21st Century Research and Policy Conference for Community Banking* at the Federal Reserve Bank of St. Louis.

To add your voice to the 2019 National Survey, please complete the survey at: <https://sri.cornell.edu/CB21/2019/>.

Want to explore the findings from past surveys? Last year's publication can be found [here](#).

We truly appreciate your participation in this unique opportunity to have your voice heard!

CFPB Issues Technical Specifications and Resources for Prepaid Product Agreements

On February 27, 2019, the Consumer Financial Protection Bureau (CFPB) issued a rule with technical specifications for credit unions to submit prepaid account agreements under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z). The CFPB also issued resources to help credit unions, as prepaid account issuers, add, amend, or withdraw a prepaid product agreement. A link to the Prepaid Accounts Rule and resources are available on the Bureau's website at <https://www.consumerfinance.gov/data-research/prepaid-accounts/>.

Beginning on April 1, 2019, prepaid account issuers must use the CFPB's *Collect* website to submit product agreements and related information. The technical specifications include the file format and website URL at which credit unions, or their designees, can register and send agreements. Submissions must be made to the CFPB within 30 days of offering a new agreement, amending a previously provided agreement, or discontinuing an agreement. The website includes resources to walk through these options.

Refer to the NCUA letters to Credit Unions and other guidance 19-09/March 2019 at <https://www.ncua.gov/regulation-supervision/letters-credit-unions-other-guidance/cfpb-issues-technical-specifications-and-resources-prepaid-product-agreements>.

Action on Applications for the Month

The following is a summary of official action taken by the Department on applications by Georgia state-chartered financial institutions under Title 7, Chapter 1 of the O.C.G.A. and petitions for certificate of incorporation of financial institutions and other matters of interest during the month of May 2019:

APPLICATIONS FOR NEW FINANCIAL INSTITUTION

<u>FINANCIAL INSTITUTION</u>	<u>CAPITALIZATION</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Loyal Trust Bank 11675 Medlock Bridge Road Johns Creek, GA 30097 Fulton County	\$ 20,000,000	Pending	
Tandem Bank 2356 Main Street Tucker, GA 30084 DeKalb County	\$ 18,000,000	05-02-2019	

APPLICATIONS TO ESTABLISH A BRANCH OFFICE

<u>FINANCIAL INSTITUTION</u>	<u>BRANCH OFFICE</u>	<u>APPROVAL DATE</u>	<u>BEGIN BUSINESS DATE</u>
Delta Community Credit Union Atlanta	Jonesboro Road 210 Jonesboro Road McDonough, GA 30253 Henry County	08-22-2018	05-08-2019
The Commercial Bank Crawford	Danielsville 220 Courthouse Square 1 Danielsville, GA 30633 Madison County	04-10-2019	05-28-2019
First IC Bank Doraville	Palisades Park 211 Broad Avenue Palisades Park, NJ 07650 Bergen County	11-14-2018	05-08-2019
PromiseOne Bank Duluth	McGinnis Ferry 7775 McGinnis Ferry Road #104 Johns Creek, GA 30024 Fulton County	01-02-2019	05-01-2019
Colony Bank Fitzgerald	Statesboro 104 Springhill Drive Statesboro, GA 30458 Bulloch County	08-29-2018	05-20-2019

APPLICATIONS TO CHANGE LOCATION

<u>FINANCIAL INSTITUTION</u>	<u>CHANGE LOCATION OF</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
SunTrust Bank Atlanta	From: Glen Burnie 100 Crain Highway, S. W. Baltimore, MD 21061 Baltimore County To: 6707-A Ritchie Highway Baltimore, MD 21061 Baltimore County	02-25-2019	05-24-2019

Pinnacle Bank Elberton	Franklin Springs From: 2311 West Main Street Franklin Springs, GA 30639 Franklin County	08-27-2018	04-15-2019
	To: 25 Westclock Circle Franklin Springs, GA 30639 Franklin County		

NOTICE OF CHANGE IN NAME

<u>PREVIOUS NAME</u>	<u>NEW NAME</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
Bank of Early Blakely	OneSouth Bank	04-16-2019	05-02-2019
GEMC Credit Union Tucker	Go Energy Financial Credit Union	05-08-2019	

FINANCIAL INSTITUTION MERGERS

<u>SURVIVOR</u>	<u>MERGED INSTITUTION</u>	<u>APPROVAL DATE</u>	<u>EFFECTIVE DATE</u>
United Community Bank Blairsville, GA	First Madison Bank & Trust Colbert, GA	04-30-2019	05-01-2019
First National Community Bank Chatsworth, GA	Northside Bank Adairsville, GA	05-08-2019	
Morris Bank Dublin, GA	Farmers & Merchants Bank Statesboro, GA	04-01-2019	05-01-2019
Heritage Bank Jonesboro, GA	The Heritage Bank Hinesville, GA	Pending	
Heritage Bank Jonesboro, GA	Providence Bank Alpharetta, GA	Pending	
Ameris Bank Moultrie, GA	Fidelity Bank Atlanta, GA	05-03-2019	
Branch Banking and Trust Company Winston-Salem, NC	SunTrust Bank Atlanta, GA	Pending	

APPLICATIONS TO ACQUIRE A FINANCIAL INSTITUTION

<u>BANK HOLDING COMPANY</u>	<u>TO ACQUIRE</u>	<u>APPROVAL DATE</u>
CCF Holding Company Jonesboro, GA	Heritage Bancorporation, Inc. Hinesville, GA	05-30-2019
CCF Holding Company Jonesboro, GA	Providence Bank Alpharetta, GA	05-30-2019
Ameris Bancorp Moultrie, GA	Fidelity Southern Corporation Atlanta, GA	05-03-2019
BB&T Corporation Winston-Salem, NC	SunTrust Banks, Inc. Atlanta, GA	Pending

The Department is the state agency that regulates and examines Georgia state-chartered banks, state-chartered credit unions, state-chartered trust companies, and bank holding companies that own Georgia state-chartered financial institutions. The Department also has responsibility for the supervision, regulation, and examination of Merchant Acquirer Limited Purpose Banks chartered in Georgia.

In addition, the Department has regulatory and/or licensing authority over mortgage brokers, lenders and processors, mortgage loan originators, check cashers, sellers-issuers of payment instruments, money transmitters, and international banking organizations.

Our **Mission** is to promote safe, sound, competitive financial services in Georgia through innovative, responsive regulation and supervision.

Our **Vision** is to be a willing and able partner with our regulated entities in order to support vibrant economic growth and prosperity in Georgia.

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