

House Bill 1093

By: Representatives Willard of the 49<sup>th</sup>, Mills of the 25<sup>th</sup>, Coan of the 101<sup>st</sup>, Fleming of the 117<sup>th</sup>, O`Neal of the 146<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 44-14-3 of the Official Code of Georgia Annotated, relating to  
2 furnishing of cancellation by grantee or holder upon payment, liability for failure to comply,  
3 cancellation of instrument after failure to comply, and liability of agents, so as to change  
4 certain provisions relating to the demand for liquidated damages; to provide for an effective  
5 date and applicability; to provide for related matters; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 44-14-3 of the Official Code of Georgia Annotated, relating to furnishing of  
10 cancellation by grantee or holder upon payment, liability for failure to comply, cancellation  
11 of instrument after failure to comply, and liability of agents, is amended by revising  
12 subsection (c) as follows:

13 "(c) Upon the failure of the grantee or holder of the instrument to transmit properly a  
14 legally sufficient satisfaction or cancellation as ~~provided in~~ required by subsection (b) of  
15 this Code section, the grantee or holder of the instrument shall, ~~upon written demand~~, be  
16 liable to the grantor for the sum of \$500.00 as liquidated damages ~~and, in addition thereto,~~  
17 ~~for such additional sums for any loss caused to the grantor,~~ plus reasonable attorney's fees  
18 if the grantee or holder of the instrument makes a written demand for transmittal to the  
19 grantor not less than 61 days after the instrument is paid in full and prior to filing a civil  
20 action. The grantee or holder of the instrument shall not be liable to the grantor if he or she  
21 demonstrates reasonable inability to comply with subsection (b) of this Code section; and  
22 the grantee or holder of the instrument shall not be liable to the grantor unless and until a  
23 written demand for the transmittal and for liquidated damages, as provided in this  
24 subsection, is made. No other provision of this Code section shall be construed so as to  
25 affect the obligation of the grantee or holder of the instrument to pay the liquidated  
26 damages provided for in this subsection."

**SECTION 2.**

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval and shall apply to all civil actions filed on or after such date. A civil action filed before the effective date of this Act, including a civil action filed before such date in which a party is joined after such date, shall be governed by the provisions of former Code Section 44-14-3.

**SECTION 3.**

All laws and parts of laws in conflict with this Act are repealed.