

The Senate Banking and Financial Institutions Committee offered the following substitute to HB 824:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 4 of Title 7 of the Official Code of Georgia Annotated,
2 relating to interest and usury generally, so as to clarify that the term "interest" does not
3 include certain fees agreed upon by a financial institution and a depositor in a written
4 agreement between the parties; to provide for an effective date and applicability; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 4 of Title 7 of the Official Code of Georgia Annotated, relating to
9 interest and usury generally, is amended by adding a new subsection to Code Section 7-4-2,
10 relating to the legal and maximum rates of interest, to read as follows:

11 "(d) Notwithstanding the foregoing, fees and other charges agreed upon by a financial
12 institution and depositor, as defined in Code Section 7-1-4, in a written agreement
13 governing a deposit, share, or other account, including, but not limited to, overdraft and
14 nonsufficient funds, delinquency or default charges, returned payment charges, stop
15 payment charges, or automated teller machine charges, shall not be considered interest."

16 **SECTION 2.**

17 Said article is further amended by adding a new subsection to Code Section 7-4-18, relating
18 to criminal penalties for charging excessive interest, to read as follows:

19 "(d) Notwithstanding the foregoing, fees and other charges agreed upon by a financial
20 institution and depositor, as defined in Code Section 7-1-4, in a written agreement
21 governing a deposit, share, or other account, including, but not limited to, overdraft and
22 nonsufficient funds, delinquency or default charges, returned payment charges, stop
23 payment charges, or automated teller machine charges, shall not be considered interest."

SECTION 3.

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25 It is not the intent of the General Assembly to affect the law applicable to litigation pending
26 as of February 19, 2014.

SECTION 4.

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28 This Act shall become effective upon its approval by the Governor or upon its becoming law
29 without such approval.

SECTION 5.

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31 All laws and parts of laws in conflict with this Act are repealed.