**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 29‑1‑70 SO AS TO PROVIDE A MANDATORY MINIMUM GRACE PERIOD OF TWENTY DAYS FOR A MORTGAGE PAYMENT, TO DEFINE THE TERM “GRACE PERIOD”, AND TO PROVIDE THAT THIS SECTION DOES NOT APPLY TO A SIMPLE INTEREST OR OTHER MORTGAGE IN WHICH INTEREST ACCRUES DAILY.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 1, Title 29 of the 1976 Code is amended by adding:

“Section 29‑1‑70. (A)(1) A mortgagee in this State is entitled to a grace period of at least twenty days following the due date of the loan payment. The terms of a note securing a mortgage issued in this State shall provide the specific grace period allowed, regardless of whether the twenty‑day period required by this section is the only grace period allowed or if more than this minimum twenty‑day period is allowed.

(2) For the purposes of this section, ‘grace period’ means the period of time during which payment on a mortgage loan may be made after its due date without incurring a late penalty.

(B) The provisions of this section apply only to a mortgage on which interest is calculated monthly and do not apply to a simple interest mortgage or other mortgage in which interest accrues daily.”

SECTION 2. This act takes effect upon approval by the Governor.

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