**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 59‑63‑785 SO AS TO PROVIDE PUBLIC SCHOOLS AND PUBLIC SCHOOL DISTRICTS MAY NOT USE DEBT COLLECTION AGENCIES TO COLLECT OR ATTEMPT TO COLLECT OUTSTANDING DEBTS ON STUDENT SCHOOL LUNCH OR BREAKFAST ACCOUNTS, TO PROVIDE PUBLIC SCHOOLS AND PUBLIC SCHOOL DISTRICTS MAY NOT ASSESS OR COLLECT ANY INTEREST, FEES, OR OTHER SUCH MONETARY PENALTIES FOR OUTSTANDING DEBTS FOR STUDENT SCHOOL LUNCH OR BREAKFAST ACCOUNTS, AND TO PROVIDE THE PROVISIONS OF THIS ACT APPLY TO DEBTS ON STUDENT LUNCH AND BREAKFAST ACCOUNTS OUTSTANDING ON THE EFFECTIVE DATE OF THIS ACT AND INCURRED AFTER THE EFFECTIVE DATE OF THIS ACT.

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

SECTION 1. Article 7, Chapter 63, Title 59 of the 1976 Code is amended by adding:

“Section 59‑63‑785. (A) A public school or public school district may not:

(1) use a debt collection service to collect or attempt to collect, directly or indirectly, debts due or assessed to be owed for outstanding debts on a school lunch or breakfast account of a student; or

(2) assess or collect any interest, fees, or other such monetary penalties for outstanding debts on student school lunch or breakfast accounts.

(B) For purposes of this section, ‘debt collection agency’ means, as used in the South Carolina Consumer Protection Code, any person who collects or attempts to collect, directly or indirectly, debts due or asserted to be owed or due another. The term also includes a creditor who collects or attempts to collect, directly or indirectly, his own debts.”

SECTION 2. The provisions of this act apply to debts on student lunch and breakfast accounts outstanding on the effective date of this act and incurred after the effective date of this act.

SECTION 3. This act takes effect upon approval by the Governor.

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