

House Bill 27

By: Representative Mitchell of the 88th

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 7 of Chapter 14 of Title 44 of the Official Code of Georgia
2 Annotated, relating to foreclosure in general, so as to provide, under certain circumstances,
3 for an opportunity, prior to foreclosure, for a debtor to cure a foreclosure and bring the debt
4 current by making all past due payments along with any late fees and charges; to provide for
5 a method of payment; to provide for a limitation; to provide for a definition; to provide for
6 related matters; to provide for an effective date and applicability; to repeal conflicting laws;
7 and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Part 1 of Article 7 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated,
11 relating to foreclosure in general, is amended by adding a new Code section to read as
12 follows:

13 "44-14-162.5.

14 (a) As used in this Code section, the term 'security instrument' means a mortgage, security
15 deed, or lien contract.

16 (b) This Code section shall apply to the exercise of a power of sale of property:

17 (1) All or part of which is presently used as a dwelling place by the debtor; and

18 (2) In which the debtor occupying such property is an original borrower who entered into
19 the security instrument.

20 (c) If the debtor and the property meet the conditions of subsection (b) of this Code
21 section, then such debtor shall have the right to have enforcement of the power of sale
22 discontinued at any time up to five days before sale of the property, provided that such
23 debtor:

24 (1) Pays to the creditor or to the creditor's attorney, using one of the forms of payment
25 set forth in subsection (d) of this Code section and no later than five days before sale of

26 the property, all sums which then would be due under the security instrument if no
27 acceleration had occurred;
28 (2) Cures any default of any other terms of the security instrument; and
29 (3) Pays all fees and expenses specified as collectable under the security instrument as
30 a result of the breach and acceleration.
31 (d) The creditor may require that the debtor pay such reinstatement sums and expenses in
32 one or more of the following forms, as selected by the creditor:
33 (1) Cash;
34 (2) Money order;
35 (3) Electronic funds transfer; or
36 (4) Certified check, bank check, treasurer's check, or cashier's check, provided that:
37 (A) Such check is drawn upon an institution whose deposits are insured by a federal
38 agency, instrumentality, or entity; and
39 (B) Such check is made payable to the creditor or to the creditor's attorney as specified
40 by the creditor or the creditor's attorney.
41 (e) Upon reinstatement under this Code section, the creditor's interest in the property and
42 rights under the security instrument, and the debtor's obligation to pay the sums secured by
43 the security instrument, shall remain fully effective as if no acceleration had occurred.
44 (f) The requirements of this Code section shall not be waivable by contract or otherwise.
45 (g) This Code section shall not apply to any obligation after the maturity date of such
46 obligation."

47 **SECTION 2.**

48 This Act shall become effective on July 1, 2017, and shall apply to security instruments
49 executed on or after July 1, 2017.

50 **SECTION 3.**

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