

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H.B. 404
Mar 16, 2017
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40241-MQ-57A (03/07)

Short Title: Debts to Judgment Debtors/Pay to Sheriff. (Public)

Sponsors: Representatives Ford and McNeill (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE SOME OR ALL OF CERTAIN PAYMENTS TO JUDGMENT
3 DEBTORS AGAINST WHOSE PROPERTY AN EXECUTION HAS BEEN ISSUED TO
4 BE MADE TO THE SHERIFF RATHER THAN TO THE JUDGMENT DEBTOR.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 1-359 reads as rewritten:

7 "§ 1-359. Debtors of judgment debtor ~~may~~ shall satisfy execution.

8 (a) After the issuing of an execution against ~~property,~~ property and the presentation of a
9 copy of that execution by the sheriff, all persons indebted to the judgment debtor, or to any one
10 of several debtors in the same judgment, ~~may pay who make a payment on that debt, shall make~~
11 as much of that payment as is necessary to satisfy the execution to the sheriff ~~the amount of~~
12 their debt, or as much thereof as is necessary to satisfy the execution; and ~~rather than to the~~
13 judgment debtor. The sheriff's receipt is a sufficient discharge for the amount paid of the
14 debtor's obligation to the judgment debtor for the amount paid. Failure to make payment to the
15 sheriff shall not be a violation of this section where the person making payment did not have
16 knowledge of the execution and no demand for payment of the execution was made by the
17 sheriff. Payment of the amount owed to the judgment debtor by the person indebted to the
18 judgment debtor after receiving a demand for payment from the sheriff under the execution
19 shall subject the person indebted to a penalty in the amount of either the full amount due on the
20 judgment and execution or the amount paid on the debt to the judgment debtor, whichever is
21 less. This penalty shall be applied to the satisfaction of the judgment and execution under
22 which the demand for payment was made.

23"

24 SECTION 2. G.S. 162-16 reads as rewritten:

25 "§ 162-16. Execute summons, order or judgment.

26 (a) Whenever the sheriff may be required to serve or execute any summons, order or
27 judgment, or to do any other act, he shall be bound to do so in like manner as upon process
28 issued to him, and shall be equally liable in all respects for neglect of duty; and if the sheriff be
29 a party, the coroner shall be bound to perform the service, as he is now bound to execute
30 process where the sheriff is a party; and this Chapter relating to sheriffs shall apply to coroners
31 when the sheriff is a party. Sheriffs and coroners may return process by mail. Their liabilities in
32 respect to the execution of process shall be as prescribed by law.

33 (b) Nothing in this section shall require a sheriff, or coroner, to execute a judgment
34 where the sheriff, or coroner, has knowledge that the property to be sold to satisfy the judgment
35 is exempt from execution under Article 16 of Chapter 1C of the General Statutes and has been
36 so notated on the writ of execution.



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1 (c) In those counties where the office of coroner has been abolished, or is vacant, and in
2 which process is required to be served or executed on the sheriff, the authority to serve or
3 execute such process shall be vested in the clerk of court; however, the clerk of court is hereby
4 empowered to designate and direct by appropriate order some person to act in his stead to serve
5 or execute the same."

6 **SECTION 3.** This act becomes effective October 1, 2017.