



HOUSE BILL 696: Debts to Judgment Debtors/Pay to Sheriff

2015-2016 General Assembly

Committee:	House Judiciary II	Date:	April 23, 2015
Introduced by:	Rep. Ford	Prepared by:	Brad Krehely
Analysis of:	First Edition		Committee Counsel

SUMMARY: *House Bill 696 requires some or all of certain payments to judgment debtors against whose property an execution has been issued to be made to the sheriff rather than the judgment debtor.*

CURRENT LAW: Under current law, after issuing an execution against property, all persons indebted to the judgment debtor, or to any one of several debtors in the same judgment, may pay the amount of their debt to the sheriff or as much as is needed to satisfy the execution. The sheriff's receipt is a sufficient discharge for the amount paid.

BILL ANALYSIS: House Bill 696 would provide that after the issuing of an execution against property and the presentation of a copy of that execution by the sheriff, all persons indebted to the judgment debtor, or to any one of several debtors, who make a payment on that debt, must make as much of that payment as is necessary to satisfy the execution to the sheriff, rather than to the judgment debtor. Failure to make payment to the sheriff is not a violation if the person did not have knowledge of the execution, and the sheriff did not make a demand for payment.

Payment of the amount owed to the judgment debtor by the person indebted, after receiving a demand for payment from the sheriff, subjects the person to a penalty in the amount of (1) the full amount due on the judgment and execution or (2) the amount paid on the debt to the judgment debtor, whichever is less. The penalty is applied to the satisfaction of the judgment and execution.

EFFECTIVE DATE: October 1, 2015.

O. Walker Reagan
Director



* H 6 9 6 - S M R N - 3 7 E 1 - V 4 *

Research Division
(919) 733-2578