



SENATE BILL 198: GSC Good Funds Settlement/Comm. Receivership.

2021-2022 General Assembly

Committee:		Date:	February 22, 2022
Introduced by:		Prepared by:	Keshawna Roberts
Analysis of:	S.L. 2021-93		Research Assistant

OVERVIEW: *S.L. 2021-93 provides that a settlement agent may disburse settlement proceeds in reliance on a check drawn on the account of or issued by a licensed mortgage lender, makes amendments relating to the North Carolina Commercial Receivership Act, and makes technical changes to various laws regulating financial practices, as recommended by the General Statutes Commission.*

This act became effective July 22, 2021.

BILL ANALYSIS:

Part I of the act amends a provision of the Good Funds Settlement Act to provide that a settlement agent may disburse settlement proceedings in reliance on a check drawn on the account of or issued by a licensed mortgage lender without the additional requirement under current law that the mortgage lender also have a surety bond of at least \$300,000.

Part II of the act consists of amendments relating to the N.C. Commercial Receivership Act as follows:

- Amends G.S. 1-507.24 to expressly provide that the filing of a civil action by a creditor or other party in interest in which the sole relief requested is the appointment of a receiver does not waive or limit any rights or remedies the creditor or other party in interest has against the debtor or the debtor's property.
- Amends G.S. 1-507.30 to provide that a debtor shall deliver receivership property to the receiver upon the receiver's appointment and demand.
- Makes technical changes throughout the Act.

Part III consists of technical changes to various laws regulating financial practices.

EFFECTIVE DATE: This act became effective July 22, 2021.

Jeffrey Hudson
Director



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Legislative Analysis
Division
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