

HOUSE BILL ANALYSIS

HB 1001

Brief Description: *Revising the rate of interest on certain tort judgments.*

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House Financial Institutions & Insurance Committee

BACKGROUND: Current law generally requires that interest be paid on judgments if the losing party appeals the decision of the court. In tort claims, the interest rate is the general usury limit. The general usury limit is the greater of 12 percent per year or four percentage points above the 26-week treasury bill average rate as of the first auction of the previous month.

SUMMARY: The judgment interest rate when the state, local governments, or private litigants appeal adverse decisions of courts in tort cases is four percentage points above the 26-week treasury bill average rate as of the first auction of the previous month, calculated based on the date of the judgment.

Fiscal Note: *Requested.*

Effective Date: *Ninety days after adjournment of session in which bill is passed.*

Rulemaking: *Not addressed.*