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HOUSE BILL 1412

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State of Washington                      53rd Legislature                      1993 Regular Session

By Representatives R. Meyers, Padden, Dellwo and Scott

Read first time 01/27/93. Referred to Committee on Judiciary.

1            AN ACT Relating to prejudgment interest; amending RCW 4.56.110;  
2 adding a new section to chapter 4.56 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 4.56.110 and 1989 c 360 s 19 are each amended to read  
5 as follows:

6            Interest on judgments shall accrue as follows:

7            (1) Judgments founded on written contracts, providing for the  
8 payment of interest until paid at a specified rate, shall bear interest  
9 at the rate specified in the contracts: PROVIDED, That said interest  
10 rate is set forth in the judgment.

11            (2) All judgments for unpaid child support that have accrued under  
12 a superior court order or an order entered under the administrative  
13 procedure act shall bear interest at the rate of twelve percent.

14            (3) Except as provided under RCW 19.52.010, 82.32.060, and  
15 subsections (1) and (2) of this section, judgments shall bear interest  
16 from the date of ((entry)) notice at the maximum rate permitted under  
17 RCW 19.52.020 on the date of ((entry thereof)) notice: PROVIDED, That  
18 in any case where:

1       (a) A court is directed on review to enter judgment on a verdict or  
2 in any case where a judgment entered on a verdict is wholly or partly  
3 affirmed on review, then interest on the judgment or on that portion of  
4 the judgment affirmed shall date back to and shall accrue from the date  
5 ((the verdict was rendered)) of notice;

6       (b) Any portion of a claim is paid to a plaintiff or to a third  
7 party on behalf of the plaintiff by a defendant prior to the entry of  
8 the judgment, then prejudgment interest shall accrue on the amount of  
9 the claim paid from the date of notice to the date of payment;

10       (c) The judgment debtor has made a written settlement offer that is  
11 not accepted by the judgment creditor within thirty days, or sixty days  
12 prior to trial, whichever occurs first, if the settlement offer is made  
13 at least ninety days prior to trial, and the settlement offer is not  
14 less than seventy-five percent of the judgment amount, then prejudgment  
15 interest after the date of service of the settlement offer shall only  
16 be calculated on that portion of the judgment which exceeds the  
17 settlement offer;

18       (d) An established trial date is continued on the motion or request  
19 of the plaintiff whether or not the defendant joined in the motion or  
20 concurrent with the request, then prejudgment interest shall not be  
21 applied during the period of the continuance; and

22       (e) If the judgment amount differs from the amount claimed in the  
23 notice, then prejudgment interest shall accrue on the judgment amount.

24       (4) "Date of notice" as used in subsection (3) of this section  
25 means:

26       (a) The date a claimant gives written notice of a claim to a  
27 potential defendant, which notice may be given by personal service or  
28 by registered mail to the potential defendant at the potential  
29 defendant's last known address. Written notice of the claim shall  
30 include the identification, amount, nature, and elements known at the  
31 time of claim; or

32       (b) The date a lawsuit is initiated, either by filing or personal  
33 service, if prior written notice of a claim has not otherwise been  
34 given to the defendant.

35       NEW SECTION. Sec. 2. A new section is added to chapter 4.56 RCW  
36 to read as follows:

1 Any attorney for a plaintiff or claimant shall not receive as  
2 compensation any portion of the prejudgment interest awarded under RCW  
3 4.56.110(2).

4 NEW SECTION. **Sec. 3.** Section 1 of this act applies to any  
5 judgment entered after the effective date of this act.

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