

JUDGMENT INTEREST RATE AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Steve Eliason

LONG TITLE

General Description:

This bill clarifies provisions relating to postjudgment interest rates.

Highlighted Provisions:

This bill:

- ▶ clarifies postjudgment interest rates for final judgments less than \$10,000; and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

15-1-4, as last amended by Laws of Utah 2014, Chapter 281

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **15-1-4** is amended to read:

15-1-4. Interest on judgments.

(1) As used in this section [~~:(a) "Federal"~~], "federal postjudgment interest rate" means the interest rate established for the federal court system under 28 U.S.C. Sec. 1961, as amended.



28 ~~[(b) "Final judgment" means the judgment rendered when all avenues of appeal have~~
29 ~~been exhausted.]~~

30 (2) (a) Except as provided in Subsection (2)(b), a judgment rendered on a lawful
31 contract shall conform to the contract and shall bear the interest agreed upon by the parties,
32 which shall be specified in the judgment.

33 (b) A judgment rendered on a deferred deposit loan subject to Title 7, Chapter 23,
34 Check Cashing and Deferred Deposit Lending Registration Act, shall bear interest at the rate
35 imposed under Subsection (3)(a) on an amount not exceeding the sum of:

- 36 (i) the total of the principal balance of the deferred deposit loan;
37 (ii) interest at the rate imposed by the deferred deposit loan agreement for a period not
38 exceeding 10 weeks as provided in Subsection ~~7-23-401~~(4);
39 (iii) costs;
40 (iv) attorney fees; and
41 (v) other amounts allowed by law and ordered by the court.

42 (3) (a) Except as otherwise provided by law, all other final civil and criminal
43 judgments of the district court and justice court shall bear interest at the federal postjudgment
44 interest rate as of January 1 of each year, plus 2%.

45 ~~[(b) Except as otherwise provided by law or contract, all final judgments under~~
46 ~~\$10,000 in actions regarding the purchase of goods and services shall bear interest at the~~
47 ~~federal post judgment interest rate as of January 1 of each year, plus 10%.]~~

48 ~~[(e)]~~ (b) The postjudgment interest rate in effect at the time of the judgment shall
49 remain the interest rate for the duration of the judgment.

50 ~~[(d)]~~ (c) The interest on criminal judgments shall be calculated on the total amount of
51 the judgment.

52 ~~[(e)]~~ (d) Interest paid on state revenue shall be deposited in accordance with Section
53 ~~63A-3-505~~.

54 ~~[(f)]~~ (e) Interest paid on revenue to a county or municipality shall be paid to the general
55 fund of the county or municipality.

56 (4) The postjudgment interest rate on a judgment under \$10,000 in an action regarding
57 the purchase of goods and services shall bear interest as follows:

58 (a) except as provided in Subsection (4)(b), from the date that the district court or

59 justice court enters the judgment, 10% plus the federal postjudgment interest rate; or
60 (b) if the judgment is appealed and the appeal is successful, 2% plus the federal
61 postjudgment interest rate made retroactive to the date that the district court or justice court
62 entered the judgment.

Legislative Review Note
Office of Legislative Research and General Counsel