JUDGMENT INTEREST RATE AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: V. Lowry Snow

LONG TITLE

General Description:

This bill clarifies provisions relating to postjudgment interest rates.

Highlighted Provisions:

This bill:

- clarifies the postjudgment interest rate for a final judgment 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.

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

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

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

(i) the total of the principal balance of the deferred deposit loan;

(ii) interest at the rate imposed by the deferred deposit loan agreement for a period not exceeding 10 weeks as provided in Subsection 7-23-401(4);

(iii) costs;

(iv) attorney fees; and

(v) other amounts allowed by law and ordered by the court.

(3) (a) Except as otherwise provided by law, or as governed by Subsection (4), all other final civil and criminal judgments of the district court and justice court shall bear interest at the federal postjudgment interest rate as of January 1 of each year, plus 2%.

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

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

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

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

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

(4) A judgment under $10,000 in an action regarding the purchase of goods and services shall bear interest from the date on which the district court or justice court enters the

judgement at 10% plus the federal postjudgment interest rate.