
Judiciary Committee

HB 2078

Title: An act relating to interest on restitution payments.

Brief Description: Providing commencement dates for interest on restitution payments.

Sponsors: Representative Simpson.

Brief Summary of Bill
<ul style="list-style-type: none">Provides that interest accrues on the restitution portion of a criminal judgment from the date the crime was committed.

Hearing Date: 3/3/03

Staff: Edie Adams (786-7180).

Background:

When a defendant is convicted of a crime, the court may impose financial obligations as part of the judgment and sentence. Financial obligations that may be imposed on a defendant include: restitution to the victim; crime victims' compensation fees; court costs; court-appointed attorneys' fees and costs of defense, fines, and other costs associated with the offense or sentence.

Judgments for financial obligations in criminal proceedings bear interest from the date of entry of judgment, including during any period of incarceration, at the same rate that is applicable to civil judgments. The rate of interest applicable to civil judgments is the greater of 12 percent or four points above the 26-week treasury bill rate. As a result of low treasury bill rates, 12 percent has been the applicable interest rate on criminal financial obligation judgments for at least the last decade.

Interest that accrues on the restitution portion of the financial obligation is paid to the victim of the offense. All other interest accruing on the judgment is split between the state and the county.

Summary of Bill:

The restitution portion of a criminal judgment bears interest from the date of the criminal act, rather than from the date of judgment. This pre-judgment interest on restitution obligations applies to judgments entered on or after the effective date of the act.

Appropriation: None.

Fiscal Note: Requested on March 1, 2003.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.