

HOUSE BILL REPORT

HB 2078

As Reported by House Committee On:
Judiciary

Title: An act relating to interest on restitution payments.

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

Sponsors: Representative Simpson.

Brief History:

Committee Activity:

Judiciary: 3/3/03, 3/4/03 [DP].

Brief Summary of Bill

- Provides that interest accrues on the restitution portion of a criminal judgment from the date the crime was committed.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: Do pass. Signed by 7 members: Representatives Lantz, Chair; Carrell, Ranking Minority Member; McMahan, Assistant Ranking Minority Member; Campbell, Kirby, Lovick and Newhouse.

Minority Report: Do not pass. Signed by 2 members: Representatives Moeller, Vice Chair; and Flannigan.

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.

Testimony For: The Legislature should address this very important issue of complete restitution for victims of crime. Victims and their families should not have to bear the costs of the criminal's behavior. Currently, interest doesn't run on the restitution order until the date of sentencing, which can be years after the crime was committed. If a victim has to charge the costs of the crime to a credit card, the amount of restitution and interest eventually paid does not come close to compensating the victim for his or her monetary costs. Interest on the restitution should run from the date of the crime, because that is when the victim starts incurring the costs.

Testimony Against: None.

Testified: Representative Simpson, prime sponsor; and Dennis Thueringer.