FINAL BILL REPORT ESB 6764

C 149 L 10

Synopsis as Enacted

Brief Description: Regarding accrual of interest on judgments founded on tortious conduct.

Sponsors: Senators Gordon, Pflug, Oemig, McCaslin, Kline and Hargrove.

Senate Committee on Judiciary House Committee on Judiciary

Background: In all tort and nontort actions, interest must be allowed on all money due upon any judgment or order of any court from the date the judgment is entered by the trial court until full satisfaction. In Washington, judgments founded on the tortious conduct of individuals or other entities, whether acting in their personal or representative capacities, will bear interest from the date of entry of the judgment at two percentage points above the equivalent coupon issue yield of the average bill rate for 26 week treasury bills, as determined at the first bill market auction conducted during the calendar month immediately preceding the date of entry.

A public agency is defined in Washington statute as meaning (a) any state board, commission, committee, department, educational institution, or other state agency which is created by statute, other than courts and the legislature; (b) any county, city, school district, special purpose district, or other municipal corporation or political subdivision of the state of Washington; (c) any sub agency of a public agency which is created by statute, ordinance, or other legislative act, including but not limited to planning commissions, library or park boards, commissions, and agencies; or (d) any policy group whose membership includes representatives of publicly owned utilities.

Summary: Judgments arising from the tortious, or wrongful, conduct of a public agency bear interest from the date of entry of the judgment at 2 percentage points above the equivalent coupon issue yield of the average bill rate for 26 week treasury bills, as determined at the first bill market auction conducted during the calendar month immediately preceding the date of entry.

Judgments other than those founded on written contracts, judgments for unpaid child support that have accrued under a superior court order, and judgments founded on the tortious conduct of a public agency as defined in statute bear interest from the date of entry at 2 percentage points above the prime rate, as published by the Board of Governors of the Federal Reserve System on the first business day of the calendar month immediately

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preceding the date of entry. This act will apply to judgments entered on or after the effective date and judgments entered before the effective date that are still accruing interest.

Votes on Final Passage:

Senate 29 19

House 60 37 (House amended) Senate 39 8 (Senate concurred)

Effective: June 10, 2010