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**SUBSTITUTE SENATE BILL 5155**

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**State of Washington**

**67th Legislature**

**2021 Regular Session**

**By** Senate Law & Justice (originally sponsored by Senators Kuderer, Wellman, Das, and Pedersen)

READ FIRST TIME 02/05/21.

1 AN ACT Relating to prejudgment interest; amending RCW 4.56.110;  
2 and repealing RCW 4.56.111.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 4.56.110 and 2019 c 371 s 1 are each amended to read  
5 as follows:

6 Interest on judgments shall accrue as follows:

7 (1) Judgments founded on written contracts, providing for the  
8 payment of interest until paid at a specified rate, shall bear  
9 interest at the rate specified in the contracts: PROVIDED, That said  
10 interest rate is set forth in the judgment.

11 (2) All judgments for unpaid child support that have accrued  
12 under a superior court order or an order entered under the  
13 administrative procedure act shall bear interest at the rate of  
14 twelve percent.

15 (3)(a) Judgments founded on the tortious conduct of a "public  
16 agency" as defined in RCW 42.30.020 shall bear interest from the date  
17 (~~of entry~~) the cause of action accrued at two percentage points  
18 above the equivalent coupon issue yield, as published by the board of  
19 governors of the federal reserve system, of the average bill rate for  
20 twenty-six week treasury bills as determined at the first bill market  
21 auction conducted during the calendar month immediately preceding the

1 date of entry. (~~In any case where a court is directed on review to~~  
2 ~~enter judgment on a verdict or in any case where a judgment entered~~  
3 ~~on a verdict is wholly or partly affirmed on review, interest on the~~  
4 ~~judgment or on that portion of the judgment affirmed shall date back~~  
5 ~~to and shall accrue from the date the verdict was rendered.))~~

6 (b) Except as provided in (a) of this subsection, judgments  
7 founded on the tortious conduct of individuals or other entities,  
8 whether acting in their personal or representative capacities, shall  
9 bear interest from the date ~~((of entry))~~ the cause of action accrued  
10 at two percentage points above the prime rate, as published by the  
11 board of governors of the federal reserve system on the first  
12 business day of the calendar month immediately preceding the date of  
13 entry. (~~In any case where a court is directed on review to enter~~  
14 ~~judgment on a verdict or in any case where a judgment entered on a~~  
15 ~~verdict is wholly or partly affirmed on review, interest on the~~  
16 ~~judgment or on that portion of the judgment affirmed shall date back~~  
17 ~~to and shall accrue from the date the verdict was rendered.))~~

18 (4)(a) Subsection (3) of this section does not apply to medical  
19 malpractice claims. Judgments founded on an action for medical  
20 malpractice shall bear interest at the rate of two percentage points  
21 above the prime rate from the date of entry as published by the board  
22 of governors of the federal reserve system on the first business day  
23 of the calendar month immediately preceding the date of entry. In any  
24 case where a court is directed on review to enter judgment on a  
25 verdict or in any case where a judgment entered on a verdict is  
26 wholly or partly affirmed on review, interest on the judgment or on  
27 that portion of the judgment affirmed shall date back to and shall  
28 accrue from the date the verdict was rendered.

29 (b) "Medical malpractice" means an actual or alleged negligent  
30 act, error, or omission in providing or failing to provide health  
31 care services that is actionable under chapter 7.70 RCW.

32 (5) Except as provided under subsection (1) of this section,  
33 judgments for unpaid private student loan debt, as defined in RCW  
34 6.01.060, shall bear interest from the date of entry at two  
35 percentage points above the prime rate, as published by the board of  
36 governors of the federal reserve system on the first business day of  
37 the calendar month immediately preceding the date of entry.

38 ~~((+5))~~ (6) Except as provided under subsection (1) of this  
39 section, judgments for unpaid consumer debt, as defined in RCW

1 6.01.060, shall bear interest from the date of entry at a rate of  
2 nine percent.

3 ~~((+6))~~ (7) Except as provided under subsections (1) through  
4 ~~((+5))~~ (6) of this section, judgments shall bear interest from the  
5 date of entry at the maximum rate permitted under RCW 19.52.020 on  
6 the date of entry thereof. In any case where a court is directed on  
7 review to enter judgment on a verdict or in any case where a judgment  
8 entered on a verdict is wholly or partly affirmed on review, interest  
9 on the judgment or on that portion of the judgment affirmed shall  
10 date back to and shall accrue from the date the verdict was rendered.  
11 The method for determining an interest rate prescribed by this  
12 subsection is also the method for determining the "rate applicable to  
13 civil judgments" for purposes of RCW 10.82.090.

14 NEW SECTION. **Sec. 2.** RCW 4.56.111 (Interest on judgments—Rate)  
15 and 2010 c 149 s 2 are each repealed.

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