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**SENATE BILL 5059**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Senators Kuderer, Trudeau, Conway, Nobles, Pedersen, Stanford, Valdez, and Wellman

Prefiled 12/16/22. Read first time 01/09/23. Referred to Committee on Law & Justice.

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~~) (i) Except as otherwise provided in this  
16 subsection (3), judgments founded on the tortious conduct of a  
17 "public agency" as defined in RCW 42.30.020 shall bear interest from  
18 the date (~~of entry~~) the cause of action accrued at two percentage  
19 points above the equivalent coupon issue yield, as published by the  
20 board of governors of the federal reserve system, of the average bill  
21 rate for twenty-six week treasury bills as determined at the first

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

8 (ii) Judgments founded on tortious conduct that occurred while  
9 the plaintiff was a minor shall bear interest at the same rate as in  
10 (a)(i) of this subsection (3) from the date the action is commenced  
11 or the date the minor attains the age of eighteen years, whichever is  
12 earlier.

13 (b) (i) Except as otherwise provided in ((a) of) this subsection  
14 (3), judgments founded on the tortious conduct of individuals or  
15 other entities that are not a "public agency" as defined in RCW  
16 42.30.020, whether acting in their personal or representative  
17 capacities, shall bear interest from the date ((of entry)) the cause  
18 of action accrued at two percentage points above the prime rate, as  
19 published by the board of governors of the federal reserve system on  
20 the first business day of the calendar month immediately preceding  
21 the date of entry. (~~In any case where a court is directed on review~~  
22 to enter judgment on a verdict or in any case where a judgment  
23 entered on a verdict is wholly or partly affirmed on review, interest  
24 on the judgment or on that portion of the judgment affirmed shall  
25 date back to and shall accrue from the date the verdict was  
26 rendered.)

27 (ii) Judgments founded on tortious conduct that occurred while  
28 the plaintiff was a minor shall bear interest at the same rate as in  
29 (b)(i) of this subsection (3) from the date the action is commenced  
30 or the date the minor attains the age of eighteen years, whichever is  
31 earlier.

32 (c) For judgments pursuant to (a) and (b) of this subsection (3),  
33 any interest incurred prior to the date the judgment is entered  
34 applies only to arbitration awards and judgments entered following  
35 trial of the matter. All other judgments founded on tortious conduct  
36 bear interest from the date of entry.

37 (4) Except as provided under subsection (1) of this section,  
38 judgments for unpaid private student loan debt, as defined in RCW  
39 6.01.060, shall bear interest from the date of entry at two  
40 percentage points above the prime rate, as published by the board of

1 governors of the federal reserve system on the first business day of  
2 the calendar month immediately preceding the date of entry.

3 (5) Except as provided under subsection (1) of this section,  
4 judgments for unpaid consumer debt, as defined in RCW 6.01.060, shall  
5 bear interest from the date of entry at a rate of nine percent.

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

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

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