



## 1995 SENATE BILL 459

December 13, 1995 - Introduced by Senators HUELSMAN, RUDE, DARLING and ROSENZWEIG, cosponsored by Representatives GREEN, LEHMAN, SCHNEIDERS, GOETSCH, NASS, ALBERS, MUSSER, FREESE, JENSEN, LADWIG, HAHN, DUFF, SKINDRUD, LAZICH, VRAKAS, OWENS and GROTHMAN. Referred to Committee on Judiciary.

1     **AN ACT to renumber and amend** 807.01 (4), 814.04 (4) and 815.05 (8); and **to**  
2             **create** 807.01 (4) (b), 814.04 (4) (b) and 815.05 (8) (b) of the statutes; **relating**  
3             **to:** changing the interest rate applicable to court judgments.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a party in a lawsuit is entitled to interest on the amount of money recovered in a judgment. The interest rate on the amount of money recovered is 12% per year. This bill changes the interest rate to the average interest rate for 6-month U.S. treasury bills. The state treasurer is required to determine that rate annually and certify that rate to the director of state courts on the first business day in January.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

4             **SECTION 1.** 807.01 (4) of the statutes is renumbered 807.01 (4) (a) and amended  
5             to read:

6             807.01 (4) If there is an offer of settlement by a party under this section which  
7             is not accepted and the party recovers a judgment which is greater than or equal to  
8             the amount specified in the offer of settlement, the party is entitled to interest at the  
9             annual rate of ~~12%~~ certified under par. (b) on the amount recovered from the date of

1 the offer of settlement until the amount is paid. Interest under this section is in lieu  
2 of interest computed under ss. 814.04 (4) and 815.05 (8).

3 **SECTION 2.** 807.01 (4) (b) of the statutes is created to read:

4 807.01 (4) (b) The interest rate on the amount recovered under par. (a) shall  
5 be equal to the average interest rate for 6-month U.S. treasury bills during the  
6 calendar year preceding the year in which the offer is made, as certified to the  
7 director of state courts by the state treasurer on the first business day in January of  
8 each year.

9 **SECTION 3.** 814.04 (4) of the statutes is renumbered 814.04 (4) (a) and amended  
10 to read:

11 814.04 (4) (a) Except as provided in s. 807.01 (4), if the judgment is for the  
12 recovery of money, interest at the rate of ~~12% per year~~ certified under par. (b) from  
13 the time of verdict, decision or report until judgment is entered shall be computed  
14 by the clerk and added to the costs.

15 **SECTION 4.** 814.04 (4) (b) of the statutes is created to read:

16 814.04 (4) (b) The interest rate on the amount recovered under par. (a) shall  
17 be equal to the average interest rate for 6-month U.S. treasury bills during the  
18 calendar year preceding the year in which the judgment is entered, as certified to the  
19 director of state courts by the state treasurer on the first business day in January of  
20 each year.

21 **SECTION 5.** 815.05 (8) of the statutes is renumbered 814.05 (8) (a) and amended  
22 to read:

23 814.05 (8) (a) Except as provided in s. 807.01 (4), every execution upon a  
24 judgment for the recovery of money shall direct the collection of interest at the rate

1 of ~~12%~~ per year certified under par. (b) on the amount recovered from the date of the  
2 entry thereof until paid.

3 **SECTION 6.** 815.05 (8) (b) of the statutes is created to read:

4 815.05 (8) (b) The interest rate on the amount recovered under par. (a) shall  
5 be equal to the average interest rate for 6-month U.S. treasury bills during the  
6 calendar year preceding the year in which the judgment is entered, as certified to the  
7 director of state courts by the state treasurer on the first business day of January of  
8 each year.

9 **SECTION 7. Nonstatutory provisions.**

10 (1) Notwithstanding sections 807.01 (4) (b), 814.04 (4) (b) and 815.05 (8) (b) of  
11 the statutes, as created by this act, on the first business day of the 2nd month  
12 beginning after the effective date of this subsection, the state treasurer shall certify  
13 to the director of state courts the average interest rate for 6-month U.S. treasury  
14 bills during the preceding calendar year and that interest rate shall be used in  
15 sections 807.01 (4) (b), 814.04 (4) (b) and 815.05 (8) (b) of the statutes, as created by  
16 this act, until the first business day of the January following the effective date of this  
17 subsection.

18 **SECTION 8. Initial applicability.**

19 (1) This act first applies to judgments granted on the effective date of this  
20 subsection.

21 **SECTION 9. Effective dates.** This act takes effect on the first day of the 3rd  
22 month beginning after publication, except as follows:

23 (a) Section 7 of this act takes effect on the day after publication.

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(END)