

2003 DRAFTING REQUEST

Bill

Received: 08/13/2003

Received By: mlief

Wanted: Soon

Identical to LRB:

For: Dale Schultz (608) 266-0703

By/Representing: eileen

This file may be shown to any legislator: NO

Drafter: mlief

May Contact:

Addl. Drafters:

Subject: Courts - costs and fees

Extra Copies:

Submit via email: YES

Requester's email: Sen.Schultz@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Interest rate in court actions

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mlief 08/13/2003	kgilfoy 08/14/2003					
/1			pgreensl 08/14/2003		sbasford 08/15/2003	sbasford 08/15/2003 sbasford 08/15/2003	

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

*None
needed*

<END>

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/?	mlief	11-8/14 kmg	8/14 ps	8/14 ps/			

FE Sent For:

<END>

8/13

Eileen - Senate Companion

AB 456

6-0703

Sen. Schultz

SOON

TO ed.
8/13

BDN:cmh&jd:pg
MSL:Kmg

2003 ASSEMBLY BILL 456

LPS: check auto. ref.

August 4, 2003 - Introduced by Representatives GROTHMAN, KESTELL, AINSWORTH, ALBERS, FRISKE, GUNDERSON, GUNDRUM, HAHN, HINES, HUNDERTMARK, KRAWCZYK, KREIBICH, LADWIG, F. LASEE, M. LEHMAN, LEMAHIEU, MCCORMICK, MUSSER, OLSEN, OTT, OWENS, PETROWSKI, SERATTI, VAN ROY and BIES, cosponsored by Senators SCHULTZ, LAZICH, REYNOLDS and RISSER. Referred to Committee on Judiciary.

Gen. Cat.

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 in court actions.

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 2% plus the average interest rate for six-month U.S. treasury bills but to never less than 4%. The state treasurer is required to determine the average interest rate for six-month U.S. treasury bills annually and certify that rate to the director of state courts on the first business day in January.

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) (a) If there is an offer of settlement by a party under this section
7 which is not accepted and the party recovers a judgment which is greater than or

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1 equal to the amount specified in the offer of settlement, the party is entitled to
2 interest at the annual rate of ~~12%~~ under par. (b) on the amount recovered from the
3 date of the offer of settlement until the amount is paid. Interest under this section
4 is in lieu of interest computed under ss. 814.04 (4) and 815.05 (8).

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

6 807.01 (4) (b) The interest rate on the amount recovered under par. (a) shall
7 be equal to 2% plus the average interest rate for 6-month U.S. treasury bills during
8 the calendar year preceding the year in which the offer is made, as certified to the
9 director of state courts by the state treasurer on the first business day in January of
10 each year, except that, if that interest rate plus 2% is less than 4%, then 4% shall be
11 the interest rate under this paragraph.

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

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

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

19 814.04 (4) (b) The interest rate on the amount recovered under par. (a) shall
20 be equal to 2% plus the average interest rate for 6-month U.S. treasury bills during
21 the calendar year preceding the year in which the judgment is entered, as certified
22 to the director of state courts by the state treasurer on the first business day in
23 January of each year, except that, if that interest rate plus 2% is less than 4%, then
24 4% shall be the interest rate under this paragraph.

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1 **SECTION 5.** 815.05 (8) of the statutes is renumbered 815.05 (8) (a) and amended
2 to read:

3 815.05 (8) (a) Except as provided in s. 807.01 (4), every execution upon a
4 judgment for the recovery of money shall direct the collection of interest at the rate
5 of 12% under par. (b) per year on the amount recovered from the date of the entry of
6 the judgment until it is paid.

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

8 815.05 (8) (b) The interest rate on the amount recovered under par. (a) shall
9 be equal to 2% plus the average interest rate for 6-month U.S. treasury bills during
10 the calendar year preceding the year in which the judgment is entered, as certified
11 to the director of state courts by the state treasurer on the first business day of
12 January of each year, except that, if that interest rate plus 2% is less than 4%, then
13 4% shall be the interest rate under this paragraph.

14 **SECTION 7. Nonstatutory provisions.**

15 *auto ref. "KA"* (1) Notwithstanding sections 807.01 (4) (b), 814.04 (4) (b), and 815.05 (8) (b) of
16 the statutes, as created by this act, on the first business day of the 2nd month
17 beginning after the effective date of this subsection, the state treasurer shall certify
18 to the director of state courts the average interest rate for 6-month U.S. treasury
19 bills during the preceding calendar year and that interest rate plus 2% shall be used
20 in sections 807.01 (4) (b), 814.04 (4) (b), and 815.05 (8) (b) of the statutes, as created
21 by this act, until the first business day of the January following the effective date of
22 this subsection, ²except that, if that interest rate plus 2% is less than 4%, then 4% shall
23 be used in sections 807.01 (4) (b), 814.04 (4) (b), and 815.05 (8) (b) of the statutes, as
24 created by this act.

25 **SECTION 8. Initial applicability.**

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SECTION 8

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

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

5 (1) SECTION 7^{a.r.} of this act takes effect on the day after publication.

6 (END)

(1)
↳ auto ref "KA"

Emery, Lynn

From: ONeill, Eileen
Sent: Friday, August 15, 2003 11:39 AM
To: LRB.Legal
Subject: Draft review: LRB 03-3110/1 Topic: Interest rate in court actions

It has been requested by <ONeill, Eileen> that the following draft be jacketed for the SENATE:

Draft review: LRB 03-3110/1 Topic: Interest rate in court actions