



WISCONSIN LEGISLATIVE COUNCIL  
AMENDMENT MEMO

<b>September 2011 Special Session Senate Bill 14</b>	<b>Senate Substitute Amendment 1, as Amended</b>
<i>Memo published:</i> November 1, 2011	<i>Contact:</i> Anne Sappenfield, Senior Staff Attorney (267-9485)

*Current law* provides that interest accrues on a judgment involving the recovery of money at a rate of 12% per year from the date of entry of judgment until the judgment is paid. If an offer of settlement is made and rejected and the party making the offer of settlement prevails, interest accrues on the amount recovered under a judgment that is greater than or equal to the offer of settlement at a rate of 12%.

*The bill* provides that the interest rate on judgments for the recovery of money in civil actions in tort, in actions brought by a customer to enforce rights under Wisconsin's Consumer Act, and in consumer protection actions commenced by the Department of Agriculture, Trade and Consumer Protection is an annual rate of 1% plus the prime rate in effect on the day the judgment is entered, as reported by the Federal Reserve Board, until the amount is paid. The same changes are made relating to offers of settlement, as described above. For other judgments, the interest rate is 12%.

*Senate Substitute Amendment 1* changes the interest rate for all judgments for the recovery of money so that it is an annual rate of 1% plus the prime rate in effect on the day the judgment is entered, as reported by the Federal Reserve Board, until the amount is paid. The same changes are made relating to offers of settlement, as described above.

*Senate Amendment 1 to the substitute amendment* provides that, if a judgment is entered on or before June 30, the interest rate is 1% plus the prime rate in effect on January 1 of the year in which the judgment is entered. If a judgment is entered after June 30, the interest rate is 1% plus the prime rate in effect on July 1 of the year in which the judgment is entered.

**Legislative History**

Senator Zipperer offered Senate Substitute Amendment 1 and Senate Amendment 1 to the substitute amendment. On November 1, 2011, the Senate Committee on Judiciary, Utilities, Commerce, and Government Operations unanimously recommended adoption of Senate Substitute Amendment 1 and Senate Amendment 1 to the substitute amendment. The committee also recommended passage of the bill, as amended, on a vote of Ayes, 3; Noes, 2.

AS:ty