

SENATE BILL No. 89

By Committee on Judiciary

1-29

1 AN ACT concerning interest on judgments; amending K.S.A. 16-201 and
2 16-204 and repealing the existing sections.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. K.S.A. 16-201 is hereby amended to read as follows: 16-
6 201. Creditors shall be allowed to receive interest at ~~the rate of ten percent~~
7 ~~per annum, when no other rate of interest is agreed upon, for a rate per~~
8 *annum: (a) Which shall change effective July 1 of each year for both*
9 *judgments rendered prior to such July 1 and judgments rendered during*
10 *the twelve-month period beginning such July 1; and (b) which is equal to*
11 *an amount that is one percentage point above the discount rate (the*
12 *charge on loans to depository institutions by the New York federal reserve*
13 *bank as reported in the money rates column of the wall street journal) as*
14 *of July 1 preceding the date the judgment was rendered. The secretary of*
15 *state shall publish notice of the interest rate provided by this section not*
16 *later than the second issue of the Kansas register published in July of each*
17 *year. Such rate shall attach to any money after it becomes due; for money*
18 *lent or money due on settlement of account, from the day of liquidating the*
19 *account and ascertaining the balance; for money received for the use of*
20 *another and retained without the owner's knowledge of the receipt; for*
21 *money due and withheld by an unreasonable and vexatious delay of*
22 *payment or settlement of accounts; for all other money due and to become*
23 *due for the forbearance of payment whereof an express promise to pay*
24 *interest has been made; and for money due from corporations and*
25 *individuals to their daily or monthly employees, from and after the end of*
26 *each month, unless paid within ~~fifteen~~ 15 days thereafter.*

27 Sec. 2. K.S.A. 16-204 is hereby amended to read as follows: 16-204.
28 Except as otherwise provided in accordance with law, and including any
29 judgment rendered on or after July 1, 1973, against the state or any agency
30 or political subdivision of the state:

31 (a) Any judgment rendered by a court of this state before July 1,
32 1980, shall bear interest as follows:

33 (1) On and after the day on which the judgment is rendered and
34 before July 1, 1980, at the rate of 8% per annum;

35 (2) on and after July 1, 1980, and before July 1, 1982, at the rate of
36 12% per annum;

1 (3) on and after July 1, 1982, and before July 1, 1986, at the rate of
2 15% per annum; and

3 (4) on and after July 1, 1986, at the *legal* rate provided by subsection
4 (e)(1).

5 (b) Any judgment rendered by a court of this state on or after July 1,
6 1980, and before July 1, 1982, shall bear interest as follows:

7 (1) On and after the day on which the judgment is rendered and
8 before July 1, 1982, at the rate of 12% per annum;

9 (2) on and after July 1, 1982, and before July 1, 1986, at the rate of
10 15% per annum; and

11 (3) on and after July 1, 1986, at the rate provided by subsection (e).

12 (c) Any judgment rendered by a court of this state on or after July 1,
13 1982, and before July 1, 1986, shall bear interest as follows:

14 (1) On and after the day on which the judgment is rendered and
15 before July 1, 1986, at the rate of 15% per annum; and

16 (2) on and after July 1, 1986, at the rate provided by subsection (e).

17 (d) Any judgment rendered by a court of this state on or after July 1,
18 1986, shall bear interest on and after the day on which the judgment is
19 rendered at the rate provided by subsection (e).

20 (e) (1) Except as otherwise provided in this subsection, on and after
21 July 1, 1996, the rate of interest on judgments rendered by courts of this
22 state pursuant to the code of civil procedure shall be at a rate per annum:
23 (A) Which shall change effective July 1 of each year for both judgments
24 rendered prior to such July 1 and judgments rendered during the twelve-
25 month period beginning such July 1; and (B) which is equal to an amount
26 that is four percentage points above the discount rate (the charge on loans
27 to depository institutions by the New York federal reserve bank as reported
28 in the money rates column of the wall street journal) as of July 1 preceding
29 the date the judgment was rendered. The secretary of state shall publish
30 notice of the interest rate provided by this subsection ~~(e)(1) paragraph~~ not
31 later than the second issue of the Kansas register published in July of each
32 year.

33 ~~(2) On and after the effective date of this act, the rate of interest on~~
34 ~~judgments rendered by courts of this state pursuant to the code of civil~~
35 ~~procedure for limited actions shall be 12% per annum.~~

36 ~~(3) On and after July 1, 1996, it shall be presumed that applying~~
37 ~~interest at the rate of 10% per annum will result in the correct total of~~
38 ~~interest accrued on any judgments, regardless of when the judgments~~
39 ~~accrued, arising from a person's duty to support another person. The~~
40 ~~burden of proving that a different amount is the correct total shall lie with~~
41 ~~any person contesting the presumed amount.~~

42 ~~(2) Notwithstanding K.S.A. 16-201, and amendments thereto, a court~~
43 ~~shall not award pre-judgment interest on any unliquidated, punitive,~~

1 *exemplary or future damages that are found by the trier of fact. As used in*
2 *this paragraph, "future damages" means those damages that will be*
3 *incurred after the date of the judgment and includes, but is not limited to,*
4 *the costs of any injunctive or equitable relief that will be provided after the*
5 *date of judgment.*

6 Sec. 3. K.S.A. 16-201 and 16-204 are hereby repealed.

7 Sec. 4. This act shall take effect and be in force from and after its
8 publication in the statute book.