

Original Sponsor: Judiciary Committee

Offered: 2/7/80
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act increasing prejudgment and post-judgment
7 interest rates."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 09.30.070 is amended to read:

10 Sec. 09.30.070. INTEREST ON JUDGMENTS. The annual rate of inter-
11 est on judgments and decrees for the payment of money is two percentage
12 points [EIGHT PER CENT A YEAR] above the annual rate charged member
13 banks for advances by the 12th Federal Reserve District that prevailed
14 on the 25th day of the month preceding the commencement of the calendar
15 quarter during which the judgment or decree is rendered, except that a
16 judgment or decree founded on a contract in writing, providing for the
17 payment of interest until paid at a specified rate not exceeding the
18 legal rate of interest for that type of contract, bears interest at the
19 rate specified in the contract if the interest rate is set out in the
20 judgment or decree [, BUT IN NO EVENT MAY IT BE MORE THAN 10 PERCENT A
21 YEAR].

22 * Sec. 2. AS 09.30.070 is amended by adding a new subsection to read:

23 (b) Notice of the annual rate charged member banks for advances by
24 the 12th Federal Reserve District prevailing on the 25th day of the
25 month preceding the commencement of each calendar quarter required for
26 the maximum interest rate computation under (a) of this section shall be
27 provided by the Department of Commerce and Economic Development.

28 * Sec. 3. AS 45.45.010(a) is amended to read:

29 (a) The rate of interest in the state [IS EIGHT PERCENT A YEAR AND

1 NO MORE] on money after it is due is two percentage points above the
2 annual rate charged member banks for advances by the 12th Federal
3 Reserve District that prevailed on the 25th day of the month preceding
4 the commencement of the calendar quarter during which the day the obliga-
5 tion to pay occurs except as provided in (b) of this section. [THE RATE
6 OF INTEREST IN THE STATE IS SIX PERCENT A YEAR AND NO MORE ON (1) MONEY
7 RECEIVED TO THE USE OF ANOTHER AND RETAINED BEYOND A REASONABLE TIME
8 WITHOUT THE OWNER'S EXPRESS OR IMPLIED CONSENT; (2) MONEY DUE UPON THE
9 SETTLEMENT OF MATURED ACCOUNTS FROM THE DAY THE BALANCE IS ASCERTAINED;
10 OR (3) MONEY DUE OR TO BECOME DUE WHEN THERE IS A CONTRACT TO PAY INTER-
11 EST AND NO RATE IS SPECIFIED.]

12 * Sec. 4. AS 45.45.010(d) is amended to read:

13 (d) Notice of the annual rate charged member banks for advances by
14 the 12th Federal Reserve District prevailing on the 25th day of the
15 month preceding the commencement of each calendar quarter required for
16 the interest rate computation under (a) of this section and for the
17 maximum interest rate computation under (b) of this section shall be
18 provided by the Department of Commerce and Economic Development.
19
20
21
22
23
24
25
26
27
28
29