

Introduced: 2/18/80
Referred: Judiciary

1 IN THE SENATE

BY DANKWORTH

2 SENATE BILL NO. 469

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a prejudgment interest rate."

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

8 * Section 1. AS 45.45.010(a) is amended to read:

9 (a) The rate of interest in the state is eight percent a year and
10 no more on money after it is due except as provided in (b) or (1) of
11 this section. The rate of interest in the state is six percent a year
12 and no more on (1) money received to the use of another and retained
13 beyond a reasonable time without the owner's express or implied consent;
14 (2) money due upon the settlement of matured accounts from the day the
15 balance is ascertained; or (3) money due or to become due when there is
16 a contract to pay interest and no rate is specified.

17 * Sec. 2. AS 45.45.010(d) is amended to read:

18 (d) Notice of the annual rate charged member banks for advances by
19 the 12th Federal Reserve District prevailing on the 25th day of the
20 month preceding the commencement of each calendar quarter required for
21 the maximum interest rate computation under (b) or (1) of this section
22 shall be provided by the Department of Commerce and Economic Development.

23 * Sec. 3. AS 45.45.010 is amended by adding a new subsection to read:

24 (i) In the case of an action to enforce an express or implied
25 contract for the payment of money, interest shall accrue on the princi-
26 pal amount unpaid until the date of the judgment. The rate of interest
27 is fixed on the day the action is commenced and is the same as the
28 maximum rate which may be charged by express agreement of the parties
29 under (b) of this section.