

HOUSE BILL NO. 178
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Introduced: 3/1/91
Referred: Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act repealing a provision of state law applicable to offers of judgment; and amending
2 Rule 68 of the Alaska Rules of Civil Procedure relating to the award of costs and
3 attorney fees and to the payment of prejudgment interest."

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

5 * Section 1. AS 09.30.065 is repealed.

6 * Sec. 2. Rule 68(a) of the Alaska Rules of Civil Procedure is amended to read:

7 (a) At any time more than 10 days before the trial begins, either the party making a claim
8 or the party defending against a claim may serve upon the adverse party a written [AN] offer
9 to allow judgment to be entered in complete satisfaction of the claim for the money or property
10 or to the effect specified in the offer, with costs then accrued. The offer may not be revoked in
11 the 10 day period following service of the offer. The time during which the offer may be
12 accepted may be extended in the offer. If [WITHIN 10 DAYS AFTER SERVICE OF THE
13 OFFER] the adverse party serves written notice that the offer is accepted within 10 days of
14 service of the offer plus any additional time specified in the offer, either party may then file

1 the offer and notice of acceptance together with proof of service, and the clerk shall enter
2 judgment. An offer not accepted within 10 days or any longer time allowed for its acceptance
3 is considered withdrawn and evidence of the offer is not admissible except in a proceeding to
4 determine costs. The fact that an offer is made but not accepted does not preclude a subsequent
5 offer.

6 * Sec. 3. Rule 68(b) of the Alaska Rules of Civil Procedure is repealed and reenacted to read:

7 (b) If the judgment finally rendered by the court is at least as favorable to the offeror as
8 the offer, the offeree must pay the offeror's actual reasonable costs incurred after the offer was
9 refused or terminated under (a) of this rule, and may be required by the court to pay the actual
10 reasonable attorney's fees incurred after the date the offer was refused or terminated.

11 * Sec. 4. Rule 68 of the Alaska Rules of Civil Procedure is amended by adding a new subsection to
12 read:

13 (d) If the judgment finally rendered by the court is at least as favorable to the offeror as
14 the offer, the prejudgment interest accrued before judgment is entered shall be adjusted as
15 follows:

16 (1) if the offeror is the party making the claim, the interest rate will be increased
17 by five percent a year;

18 (2) if the offeror is the party defending against the claim, the interest rate will be
19 reduced by five percent a year.