

FIRST REGULAR SESSION

SENATE BILL NO. 679

92ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR LOUDON.

Read 1st time February 27, 2003, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

2027S.011

AN ACT

To repeal section 408.040, RSMo, and to enact in lieu thereof one new section relating to interest on certain judgments.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 408.040, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 408.040, to read as follows:

408.040. 1. Interest shall be allowed on all money due upon any judgment or order of any court from the day of rendering the same until satisfaction be made by payment, accord or sale of property; all such judgments and orders for money, **except as otherwise provided in subsection 2 of this section, shall bear a per annum interest rate equal to the coupon issue yield equivalent, as determined by the Federal Reserve Board, of the average accepted auction price for the last auction of fifty-two week United States Treasury bills settled immediately prior to the date of the judgment. The state courts administrator shall distribute notice of such rate and any changes in such rate to the circuit clerks of all circuit courts in Missouri.**

2. All documents and orders for money upon contracts bearing [more than nine percent interest] interest greater than the rate specified in subsection 1 of this section shall bear the same interest borne by such contracts[, and all other judgments and orders for money shall bear nine percent per annum until satisfaction made as aforesaid].

[2.] 3. In tort actions for damages for bodily injury or wrongful death, if a claimant has provided sufficient information to reasonably evaluate a claim in regard to which the nature and extent of the claimant's injuries and damages are reasonably ascertainable, and has made a demand for payment of a claim or an offer of settlement of a

claim, to the party, parties or their representatives and the amount of the judgment or order exceeds the demand for payment or offer of settlement, prejudgment interest, at the rate specified in subsection 1 of this section, shall be calculated from a date sixty days after the demand or offer was made, or from the date the demand or offer was rejected without counter offer, whichever is earlier. Any such demand or offer shall be made in writing and sent by certified mail and shall be left open for sixty days unless rejected earlier. Nothing contained herein shall limit the right of a claimant, in actions other than tort actions, to recover prejudgment interest as otherwise provided by law or contract.

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