

Introduced by

Senators Trenbeath, Grindberg

Representatives Iverson, Kretschmar, Thoreson

1 A BILL for an Act to amend and reenact section 28-20-34 of the North Dakota Century Code,
2 relating to postjudgment interest.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 28-20-34 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **28-20-34. Interest rate on judgments.** Interest is payable on judgments ~~recovered~~
7 entered in the courts of this state at the same rate as is provided in the original instrument upon
8 which the action resulting in the judgment is based, which rate may not exceed the maximum
9 rate provided in section 47-14-09. If such original instrument contains no provision as to an
10 interest rate, or if the action resulting in the judgment was not based upon an instrument,
11 interest is payable at the rate of twelve percent per annum through December 31, 2005.
12 Beginning January 1, 2006, the interest is payable at a rate equal to the prime rate published in
13 the Wall Street Journal on the first Monday in December of each year plus four percentage
14 points rounded up to the next one-half percentage point and may not be compounded in any
15 manner or form. ~~Interest~~ On or before the twentieth day of December each year, the state
16 court administrator shall determine the rate and shall transmit notice of that rate to all clerks of
17 court and to the state bar association of North Dakota. As established, the rate shall be in
18 effect beginning the first day of the following January through the last day of December in each
19 year. Except as otherwise provided in this section, interest on all judgments ~~recovered~~ entered
20 in the courts of this state before ~~July 1, 1981~~ January 1, 2006, must remain at the rate per
21 annum which was legally prescribed at the time the judgments were entered, and such interest
22 may not be compounded in any manner or form. Interest on unpaid child support obligations
23 must be calculated under section 14-09-25 according to the rate currently in effect under this
24 section regardless of the date the obligations first became due and unpaid.