

February 11, 2011

The Honorable Tim Owens, Chairperson
Senate Committee on Judiciary
Statehouse, Room 559-S
Topeka, Kansas 66612

Dear Senator Owens:

SUBJECT: Fiscal Note for SB 105 by Senate Committee on Judiciary

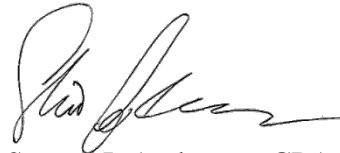
In accordance with KSA 75-3715a, the following fiscal note concerning SB 105 is respectfully submitted to your committee.

SB 105 would change the statutory prejudgment interest rate paid to creditors from 10.0 percent to a rate that is 1.0 percent above the discount rate as of July 1, preceding the date the judgment was rendered. This interest rate would change effective July 1 of each year for both judgments rendered before July 1, and judgments rendered during the 12-month period beginning each July 1.

SB 105 would eliminate the separate statutory rate of 12.0 percent post judgment interest in limited actions cases. The statutory post judgment rate applicable in general civil procedure cases would be applicable to limited actions cases. The bill would also prohibit a court from awarding prejudgment interest on any unliquidated, punitive, exemplary, or future damages.

Passage of SB 105 would have no fiscal effect on the Judicial Branch.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Mary Rinehart, Judiciary