

**First Regular Session
Sixty-third General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 01-0586.01 Debbie Haskins

HOUSE BILL 01-1047

HOUSE SPONSORSHIP

Williams T.

SENATE SPONSORSHIP

(None)

House Committees

Civil Justice & Judiciary

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE RECOVERY OF INTEREST ON DAMAGES IN CIVIL**
102 **ACTIONS FOR PERSONAL INJURY CLAIMS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Provides that prejudgment interest for damages in personal injury cases shall be allowed for economic damages incurred prior to the entry of the judgment and for all damages for noneconomic loss or injury and damages for derivative noneconomic loss or injury. Defines "economic damages". Changes the amount of interest in personal injury cases from 9% to 2% above the discount rate as certified annually by the secretary of state.

Directs that if the judgment in a personal injury case is appealed by

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

the judgment debtor, any postjudgment interest awarded shall be calculated from the date the judgment is entered and shall include compounding of interest annually from the date such judgment is entered.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 13-21-101, Colorado Revised Statutes, is amended
3 to read:

4 **13-21-101. Interest on damages.** (1) (a) In all actions brought
5 to recover damages for personal injuries sustained by any person resulting
6 from or occasioned by the tort of any other person, corporation,
7 association, or partnership, whether by negligence or by willful intent of
8 such other person, corporation, association, or partnership and whether
9 such injury has resulted fatally or otherwise, it is lawful for the plaintiff
10 in the complaint to claim interest: ~~on the damages alleged from the date~~
11 ~~said suit is filed, and, on and after July 1, 1979, it is lawful for the~~
12 ~~plaintiff in the complaint to claim interest~~

13 (I) On the ECONOMIC damages ~~claimed from the date the action~~
14 ~~accrued~~; INCURRED PRIOR TO THE ENTRY OF ANY JUDGMENT; AND

15 (II) ON THE DAMAGES FOR DERIVATIVE NONECONOMIC LOSS OR
16 INJURY AND DAMAGES FOR NONECONOMIC LOSS OR INJURY, AS DEFINED IN
17 SECTION 13-21-102.5.

18 (b) When such interest is so claimed, it is the duty of the court in
19 entering judgment for the plaintiff in such action to add to the amount of
20 damages assessed by the verdict of the jury, or found by the court, interest
21 on such amount calculated at the rate ~~of nine percent per annum, on~~
22 ~~actions filed on or after July 1, 1975, and at the legal rate on actions filed~~
23 ~~prior to such date, and calculated~~ SET FORTH IN SUBSECTION (3) OF THIS
24 SECTION, COMPOUNDED ANNUALLY, from the date such suit was filed to

1 the date of ~~satisfying~~ ENTRY OF the judgment and to include the same in
2 said judgment as a part thereof. ~~On actions filed on or after July 1, 1979,~~
3 ~~the calculation shall include compounding of interest annually from the~~
4 ~~date such suit was filed. On and after January 1, 1983, if a judgment for~~
5 ~~money in an action brought to recover damages for personal injuries is~~
6 ~~appealed by the judgment debtor, interest, whether prejudgment or~~
7 ~~postjudgment, shall be calculated on such sum at the rate set forth in~~
8 ~~subsections (3) and (4) of this section from the date the action accrued and~~
9 ~~shall include compounding of interest annually from the date such suit~~
10 ~~was filed.~~

11 (c) AS USED IN THIS SUBSECTION (1), UNLESS THE CONTEXT
12 OTHERWISE REQUIRES, "ECONOMIC DAMAGES" MEANS ALL DAMAGES OTHER
13 THAN:

14 (I) DAMAGES FOR DERIVATIVE NONECONOMIC LOSS OR INJURY AND
15 DAMAGES FOR NONECONOMIC LOSS OR INJURY AS DEFINED IN SECTION
16 13-21-102.5; AND

17 (II) EXEMPLARY DAMAGES.

18 (2) (a) ~~If a judgment for money in an action brought to recover~~
19 ~~damages for personal injuries is appealed by a judgment debtor and the~~
20 ~~judgment is affirmed, interest, as set out in subsections (3) and (4) of this~~
21 ~~section, shall be payable from the date the action accrued until satisfaction~~
22 ~~of the judgment.~~

23 (b) ~~If a judgment for money in an action to recover damages for~~
24 ~~personal injuries is appealed by a judgment debtor and the judgment is~~
25 ~~modified or reversed with a direction that a judgment for money be~~
26 ~~entered in the trial court, interest, as set out in subsections (3) and (4) of~~
27 ~~this section, shall be payable from the date the action accrued until the~~

1 ~~judgment is satisfied. This interest shall be payable on the amount of the~~
2 ~~final judgment.~~ IN JUDGMENTS ENTERED FOR DAMAGES FOR PERSONAL
3 INJURIES SUSTAINED BY ANY PERSON RESULTING FROM OR OCCASIONED BY
4 THE TORT OF ANY OTHER PERSON, CORPORATION, ASSOCIATION, OR
5 PARTNERSHIP, WHETHER BY NEGLIGENCE OR BY WILLFUL INTENT OF SUCH
6 OTHER PERSON, CORPORATION, ASSOCIATION, OR PARTNERSHIP AND
7 WHETHER SUCH INJURY HAS RESULTED FATALLY OR OTHERWISE, IF THE
8 JUDGMENT IS APPEALED BY THE JUDGMENT DEBTOR, ANY POSTJUDGMENT
9 INTEREST AWARDED BY THE COURT SHALL BE BASED ON THE AMOUNT OF
10 THE FINAL JUDGMENT AND CALCULATED AT THE RATE SET FORTH IN
11 SUBSECTIONS (3) AND (4) OF THIS SECTION FROM THE DATE JUDGMENT IS
12 ENTERED AND SHALL INCLUDE COMPOUNDING OF INTEREST ANNUALLY
13 FROM THE DATE SUCH JUDGMENT IS ENTERED.

14 (3) The rate of interest shall be certified on each January 1 by the
15 secretary of state to be two percentage points above the discount rate,
16 which discount rate shall be the rate of interest a commercial bank pays
17 to the federal reserve bank of Kansas City using a government bond or
18 other eligible paper as security, and shall be rounded to the nearest full
19 percent. Such annual rate of interest shall be so established as of
20 December 31, 1982, to become effective January 1, 1983. Thereafter, as
21 of December 31 of each year, the annual rate of interest shall be
22 established in the same manner, to become effective on January 1 of the
23 following year.

24 (4) The rate at which interest shall accrue during each year shall
25 be the rate which the secretary of state has certified as the annual interest
26 rate under subsection (3) of this section.

27 **SECTION 2. Effective date - applicability.** (1) This act shall

1 take effect September 1, 2001, unless a referendum petition is filed during
2 the ninety-day period after final adjournment of the general assembly that
3 is allowed for submitting a referendum petition pursuant to article V,
4 section 1 (3) of the state constitution. If such a referendum petition is
5 filed against this act or an item, section, or part of this act within such
6 period, then the act, item, section, or part, if approved by the people, shall
7 take effect on the date of the official declaration of the vote thereon by
8 proclamation of the governor.

9 (2) The provisions of this act shall apply to all causes of action for
10 damages for personal injury filed on or after the applicable effective date
11 of this act.