

February 7, 2012

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

Dear Senator Owens:

SUBJECT: Fiscal Note for SB 359 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 359 is respectfully submitted to your committee.

SB 359 would change the legal rate of interest for creditors from 10.0 percent per annum on judgments to a rate that is four percentage points above the discount rate. The new rate would change July 1 of each year and apply to judgments rendered before the July 1 date and during any prospective 12-month period. The Secretary of State would publish the interest rate in the *Kansas Register* in July of each year. In addition, the bill would require that the court not award prejudgment interest on any un-liquidated, punitive, exemplary or future damages that are founded by the trier of fact.

Enactment of SB 359 would have no fiscal effect on the Judiciary.

Sincerely,



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

cc: Mary Rinehart, Judiciary