

IN THE SENATE

SENATE BILL NO. 1282, As Amended

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1
2 RELATING TO LEGAL RATE OF INTEREST; AMENDING SECTION 28-22-104, IDAHO CODE,
3 TO PROVIDE THAT INTEREST IS ALLOWED AT THE RATE OF SEVEN AND ONE-HALF
4 CENTS.

5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 28-22-104, Idaho Code, be, and the same is
7 hereby amended to read as follows:

8 28-22-104. LEGAL RATE OF INTEREST. (1) When there is no express con-
9 tract in writing fixing a different rate of interest, interest is allowed at
10 the rate of ~~twelve cents (12¢)~~ seven and one-half cents (7.5¢) on the hundred
11 by the year on:

- 12 1. Money due by express contract.
- 13 2. Money after the same becomes due.
- 14 3. Money lent.
- 15 4. Money received to the use of another and retained beyond a reasonable
16 time without the owner's consent, express or implied.
- 17 5. Money due on the settlement of mutual accounts from the date the bal-
18 ance is ascertained.
- 19 6. Money due upon open accounts after three (3) months from the date of
20 the last item.

21 (2) The legal rate of interest on money due on the judgment of any com-
22 petent court or tribunal shall be the rate of five percent (5%) plus the base
23 rate in effect at the time of entry of the judgment. The base rate shall be
24 determined on July 1 of each year by the Idaho state treasurer and shall be
25 the weekly average yield on United States treasury securities as adjusted to
26 a constant maturity of one (1) year and rounded up to the nearest one-eighth
27 percent (1/8%). The base rate shall be determined by the Idaho state trea-
28 surer utilizing the published interest rates during the second week in June
29 of the year in which such interest is being calculated. The legal rate of
30 interest as announced by the treasurer on July 1 of each year shall operate
31 as the rate applying for the succeeding twelve (12) months to all judgments
32 declared during such succeeding twelve (12) month period. The payment of
33 interest and principal on each judgment shall be calculated according to a
34 three hundred sixty-five (365) day year.