

State of South Dakota

NINETY-SECOND SESSION
LEGISLATIVE ASSEMBLY, 2017

742Y0265

HOUSE BILL NO. 1108

Introduced by: Representatives Lust, Anderson, Beal, Brunner, DiSanto, Haggar, Hawley, Rounds, Rozum, Tieszen, and Willadsen and Senators Peters, Bolin, Jensen (Phil), Maher, Netherton, Novstrup, Otten (Ernie), Tidemann, and Wiik

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding prejudgment interest
2 rates.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 21-1-13.1 be amended to read:

5 21-1-13.1. Any person who is entitled to recover damages, whether in the principal action
6 or by counterclaim, cross claim, or third-party claim, is entitled to recover interest thereon from
7 the day that the loss or damage occurred, except during such time as the debtor is prevented by
8 law, or by act of the creditor, from paying the debt. Prejudgment interest is not recoverable on
9 future damages, punitive damages, or intangible damages such as pain and suffering, emotional
10 distress, loss of consortium, injury to credit, reputation or financial standing, loss of enjoyment
11 of life, or loss of society and companionship. If there is a question of fact as to when the loss
12 or damage occurred, prejudgment interest shall commence on the date specified in the verdict
13 or decision and shall run to, and include, the date of the verdict or, if there is no verdict, the date
14 the judgment is entered. If necessary, special interrogatories shall be submitted to the jury.



1 Prejudgment interest on damages arising from a contract shall be at the contract rate, if so
2 provided in the contract; otherwise, if prejudgment interest is awarded, it shall be ~~at the~~
3 ~~Category B rate of interest specified in § 54-3-16~~ a rate equal to three percent plus the prime rate
4 as published by the Board of Governors of the Federal Reserve System, as published in
5 statistical release H. 15 or any publication that may supersede it on the day the judgment is
6 entered. Prejudgment interest on damages arising from inverse condemnation actions shall be
7 at the Category A rate of interest as specified by § 54-3-16 on the day judgment is entered. This
8 section shall apply retroactively to the day the loss or damage occurred in any pending action
9 for inverse condemnation. The court shall compute and award the interest provided in this
10 section and shall include such interest in the judgment in the same manner as it taxes costs.