

# HOUSE BILL No. 4913

June 12, 1997, Introduced by Rep. Profit and referred to the Committee on Judiciary.

A bill to amend 1961 PA 236, entitled  
"Revised judicature act of 1961,"  
by amending section 6013 (MCL 600.6013), as amended by 1993 PA  
78.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 6013. (1) Interest shall be allowed on a money judgment  
2 recovered in a civil action, as provided in this section.  
3 However, for complaints filed on or after October 1, 1986, inter-  
4 est shall not be allowed on future damages from the date of  
5 filing the complaint to the date of entry of the judgment. As  
6 used in this subsection, "future damages" means that term as  
7 defined in section 6301.  
8       (2) For complaints filed before June 1, 1980, in an action  
9 involving other than a written instrument having a rate of  
10 interest exceeding 6% per year, the interest on the judgment

1 shall be calculated from the date of filing the complaint to June  
2 1, 1980, at the rate of 6% per year and on and after June 1,  
3 1980, to the date of satisfaction of the judgment at the rate of  
4 12% per year compounded annually.

5       (3) For complaints filed before June 1, 1980, in an action  
6 involving a written instrument having a rate of interest exceed-  
7 ing 6% per year, the interest on the judgment shall be calculated  
8 from the date of filing the complaint to the date of satisfaction  
9 of the judgment at the rate specified in the instrument if the  
10 rate was legal at the time the instrument was executed. However,  
11 the rate after the date judgment is entered shall not exceed the  
12 following:

13       (a) Seven percent per year compounded annually for any  
14 period of time between the date judgment is entered and the date  
15 of satisfaction of the judgment that elapses before June 1,  
16 1980.

17       (b) Thirteen percent per year compounded annually for any  
18 period of time between the date judgment is entered and the date  
19 of satisfaction of the judgment that elapses after May 31, 1980.

20       (4) For complaints filed on or after June 1, 1980, but  
21 before January 1, 1987, interest shall be calculated from the  
22 date of filing the complaint to the date of satisfaction of the  
23 judgment at the rate of 12% per year compounded annually unless  
24 the judgment is rendered on a written instrument having a higher  
25 rate of interest. In that case interest shall be calculated at  
26 the rate specified in the instrument if the rate was legal at the

1 time the instrument was executed. The rate shall not exceed 13%  
2 per year compounded annually after the date judgment is entered.

3 (5) For complaints filed on or after January 1, 1987, if a  
4 judgment is rendered on a written instrument, interest shall be  
5 calculated from the date of filing the complaint to the date of  
6 satisfaction of the judgment at the rate of 12% per year com-  
7 pounded annually, unless the instrument has a higher rate of  
8 interest. In that case interest shall be calculated at the rate  
9 specified in the instrument if the rate was legal at the time the  
10 instrument was executed. The rate shall not exceed 13% per year  
11 compounded annually after the date judgment is entered.

12 (6) Except as otherwise provided in subsection (5) and  
13 subject to subsection ~~-(11)-~~ (12), for complaints filed on or  
14 after January 1, 1987, interest on a money judgment recovered in  
15 a civil action shall be calculated AS FOLLOWS:

16 (A) FOR JUDGMENTS OF \$3,000.00 OR LESS, AT MONTHLY INTERVALS  
17 FROM THE DATE OF FILING THE COMPLAINT AT 1%.

18 (B) FOR JUDGMENTS OF MORE THAN \$3,000.00, at 6-month inter-  
19 vals from the date of filing the complaint at a rate of interest  
20 that is equal to 1% plus the average interest rate paid at auc-  
21 tions of 5-year United States treasury notes during the 6 months  
22 immediately preceding July 1 and January 1, as certified by the  
23 state treasurer, and compounded annually, pursuant to this  
24 section.

25 (7) Interest under ~~this~~ subsection (6) shall be calculated  
26 on the entire amount of the money judgment, including attorney  
27 fees and other costs. However, the amount of interest

1 attributable to that part of the money judgment from which  
2 attorney fees are paid shall be retained by the plaintiff, and  
3 not paid to the plaintiff's attorney.

4       (8) ~~-(7)-~~ If a bona fide, reasonable written offer of set-  
5 tlement in a civil action based on tort is made by the party  
6 against whom the judgment is subsequently rendered and is  
7 rejected by the plaintiff, the court shall order that interest  
8 not be allowed beyond the date the bona fide, reasonable written  
9 offer of settlement is filed with the court.

10       (9) ~~-(8)-~~ Except as otherwise provided in subsection (1) and  
11 subject to subsections ~~-(9)-~~ (10) and ~~-(10)-~~ (11), if a bona  
12 fide, reasonable written offer of settlement in a civil action  
13 based on tort is not made by the party against whom the judgment  
14 is subsequently rendered, or is made and is not filed with the  
15 court, the court shall order that interest be calculated from the  
16 date of filing the complaint to the date of satisfaction of the  
17 judgment.

18       (10) ~~-(9)-~~ If a civil action is based on medical malpractice  
19 and the defendant in the medical malpractice action failed to  
20 allow access to medical records as required under section  
21 ~~2912b(6)-~~ 2912B(5), the court shall order that interest be cal-  
22 culated from the date notice was given in compliance with section  
23 2912b to the date of satisfaction of the judgment.

24       (11) ~~-(10)-~~ If a civil action is based on medical malprac-  
25 tice and the plaintiff in the medical malpractice action failed  
26 to allow access to medical records as required under section  
27 ~~2912b(6)-~~ 2912B(5), the court shall order that interest be

1 calculated from 182 days after the date the complaint was filed  
2 to the date of satisfaction of the judgment.

3       (12) ~~—(11)—~~ Except as otherwise provided in subsection (1),  
4 if a bona fide, reasonable written offer of settlement in a civil  
5 action based on tort is made by a plaintiff for whom the judgment  
6 is subsequently rendered and that offer is rejected and the offer  
7 is filed with the court, the court shall order that interest be  
8 calculated from the date of the rejection of the offer to the  
9 date of satisfaction of the judgment at a rate of interest equal  
10 to 2% plus the rate of interest computed under subsection (6).

11       (13) ~~—(12)—~~ A bona fide, reasonable written offer of settle-  
12 ment made pursuant to this section that is not accepted within 21  
13 days after the offer is made is rejected. A rejection under this  
14 subsection or otherwise does not preclude a later offer by either  
15 party.

16       (14) ~~—(13)—~~ As used in this section:

17       (a) "Bona fide, reasonable written offer of settlement"  
18 means:

19       (i) With respect to an offer of settlement made by a  
20 defendant against whom judgment is subsequently rendered, a writ-  
21 ten offer of settlement that is not less than 90% of the amount  
22 actually received by the plaintiff in the action through  
23 judgment.

24       (ii) With respect to an offer of settlement made by a plain-  
25 tiff, a written offer of settlement that is not more than 110% of  
26 the amount actually received by the plaintiff in the action  
27 through judgment.

- 1       (b) "Defendant" means a defendant, a counter-defendant, or a  
2 cross-defendant.
- 3       (c) "Party" means a plaintiff or a defendant.
- 4       (d) "Plaintiff" means a plaintiff, a counter-plaintiff, or a  
5 cross-plaintiff.