SENATE DOCKET, NO. 637 FILED ON: 1/17/2013

SENATE . . . . . No. 632

The Commonwealth of Massachusetts

PRESENTED BY:

William N. Brownsberger

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to prejudgment interest.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
William N. Brownsberger	*Second Suffolk and Middlesex*

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SENATE . . . . . No. 632

By Mr. Brownsberger, a petition (accompanied by bill, Senate, No. 632) of William N. Brownsberger for legislation relative to interest for pecuniary judgements. The Judiciary.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to prejudgment interest.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 231 of the General Laws, as appearing in the 2010 Official Edition, is hereby amended by striking out section 6B and inserting in place thereof the following section: -

Section 6B. In any action in which a verdict is rendered or a finding made or an order for judgment made for pecuniary damages for personal injuries to the plaintiff or for consequential damages, or for damage to property, there shall be added by the clerk of court to the amount of damages simple interest thereon from the date of commencement of the action even though such interest brings the amount of the verdict or finding beyond the maximum liability imposed by law. The rate of interest for each year shall equal 4 percent plus the weekly average 1-year constant maturity Treasury yield as published by the Board of Governors of the Federal Reserve System for the last week in December of the preceding year. The state court administrator shall distribute notice of the applicable rates of interest to all district courts.

SECTION 2. Said chapter 231 is hereby further amended by striking out section 6C, as appearing in the 2010 Official Edition, and inserting in place thereof the following section: -

Section 6C. In all actions based on contractual obligations, upon a verdict, finding or order for judgment for pecuniary damages, interest shall be added by the clerk of the court to the amount of damages from the date of the breach or demand. If the date of the breach or demand is not established, interest shall be added by the clerk of the court from the date of the commencement of the action. If the interest rate is fixed by a contract on which the verdict, finding, or order for judgment is rendered, the interest allowed shall be at the rate and in the manner established in the contract. When there is no established contract rate, simple interest

22 shall be added at the rate specified in section 6B of chapter 231, provided, however, that in all
23 actions based on contractual obligations, upon a verdict, finding or order for judgment against
24 the commonwealth for pecuniary damages, interest shall be added by the clerk of the court to the
25 amount of damages, at the contract rate, if established, or at a rate calculated pursuant to the
26 provisions of section 6I from the date of the breach or demand.

27 SECTION 3. Said chapter 231 is hereby further amended by striking out section 60K, as
28 appearing in the 2010 Official Edition, and inserting in place thereof the following section: -

29 Section 60K. In any action for malpractice, negligence, error, omission, mistake or
30 unauthorized rendering of professional services, other than actions brought under section 2 of
31 Chapter 229, against a provider of health care, in which a verdict is rendered or a finding made
32 or an order for judgment made for pecuniary damages for personal injuries to the plaintiff or for
33 consequential damages, there shall be added by the clerk of the court to the amount of damages
34 simple interest thereon, at the rate specified in section 6B of chapter 231, from the date of the
35 commencement of the action even though such interest brings the amount of the verdict or
36 finding beyond the maximum liability imposed by law.