

# State of South Dakota

NINETY-SECOND SESSION  
LEGISLATIVE ASSEMBLY, 2017

516Y0630

HOUSE COMMERCE AND ENERGY

ENGROSSED NO. **HB 1175** - 2/15/2017

**This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.**

Introduced by: Representative Rounds and Senator Greenfield (Brock)

1 FOR AN ACT ENTITLED, An Act to revise the method of establishing certain interest rates.

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

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

4 21-1-13.1. Any person who is entitled to recover damages, whether in the principal action  
5 or by counterclaim, cross claim, or third-party claim, is entitled to recover interest thereon from  
6 the day that the loss or damage occurred, except during such time as the debtor is prevented by  
7 law, or by act of the creditor, from paying the debt. Prejudgment interest is not recoverable on  
8 future damages, punitive damages, or intangible damages such as pain and suffering, emotional  
9 distress, loss of consortium, injury to credit, reputation or financial standing, loss of enjoyment  
10 of life, or loss of society and companionship. If there is a question of fact as to when the loss  
11 or damage occurred, prejudgment interest shall commence on the date specified in the verdict  
12 or decision and shall run to, and include, the date of the verdict or, if there is no verdict, the date  
13 the judgment is entered. If necessary, special interrogatories shall be submitted to the jury.  
14 Prejudgment interest on damages arising from a contract shall be at the contract rate, if so



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