

By: Senator(s) Nunnelee

To: Judiciary, Division A

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2543

1 AN ACT TO AMEND SECTIONS 75-17-7 AND 75-17-9, MISSISSIPPI
2 CODE OF 1972, TO PROVIDE THAT JUDGMENTS OR DECREES IN CHILD OR
3 SPOUSAL SUPPORT CASES SHALL BEAR COMPOUNDED INTEREST AT THE RATE
4 OF 8%; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 **SECTION 1.** Section 75-17-7, Mississippi Code of 1972, is
7 amended as follows:

8 75-17-7. (1) All judgments or decrees founded on any sale
9 or contract shall bear interest at the same rate as the contract
10 evidencing the debt on which the judgment or decree was rendered.

11 (2) All judgments or decrees founded on an obligation of
12 support, including, but not limited to, child support, medical
13 support and spousal support, shall bear interest compounded at a
14 per annum rate of eight percent (8%) but in no event prior to the
15 filing of the complaint for arrearage unless the underlying order
16 provides otherwise.

17 (3) All other judgments or decrees shall bear interest at a
18 per annum rate set by the judge hearing the complaint from a date
19 determined by the judge to be fair but in no event prior to the
20 filing of the complaint.

21 **SECTION 2.** Section 75-17-9, Mississippi Code of 1972, is
22 amended as follows:

23 75-17-9. (1) When a partial payment is made on a debt
24 evidenced by a judgment or decree based upon a support obligation,
25 including, but not limited to, child support, medical support and
26 spousal support, the compounded interest and principal shall be
27 aggregated, and the partial payment shall be applied to the total
28 debt owed.

29 (2) When partial payments are made in other cases, the
30 interest that has accrued to the time of payment, if any, shall be
31 first paid, and the residue of such partial payment shall be
32 placed to the payment of the principal, except that the parties
33 may agree in writing that such partial payment, or any portion
34 thereof, shall be applied first to the payment of principal, in
35 which case the residue shall be applied to the payment of interest
36 that has accrued to the time of payment.

37 **SECTION 3.** This act shall take effect and be in force from
38 and after July 1, 2006.