

STATE OF NEW YORK

1538--A

2021-2022 Regular Sessions

IN ASSEMBLY

January 11, 2021

Introduced by M. of A. GOTTFRIED, McDONALD -- read once and referred to the Committee on Codes -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the civil practice law and rules, in relation to the rate of interest on a judgment for medical debt

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 5004 of the civil practice law and rules, as
2 amended by chapter 258 of the laws of 1981, is amended to read as
3 follows:

4 § 5004. Rate of interest. (a) Interest shall be at the rate of nine
5 per centum per annum, except where otherwise provided by statute,
6 provided that the annual rate of interest to be paid on a judgment or
7 accrued claim in an action arising out of a medical debt shall be the
8 lesser of the one-year United States treasury bill rate or three per
9 centum per annum.

10 (b) For the purposes of this section the following terms shall have
11 the following meanings:

12 1. "Medical debt" means any obligation or alleged obligation of any
13 natural person to pay money arising out of medical care provided to that
14 person by a hospital licensed under article twenty-eight of the public
15 health law or a health care professional authorized under title eight of
16 the education law.

17 2. "One-year United States treasury bill rate" means the weekly aver-
18 age one-year constant maturity treasury yield, as published by the board
19 of governors of the federal reserve system, for the first full calendar
20 week of the calendar month preceding the date in which the judgment
21 awarding damages is entered.

22 (c) The one-year United States treasury bill rate shall be calculated
23 by the office of court administration. The office of court adminis-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 tration shall publish the rate for permanent public access on such
2 office's website on or before the first business day of each month.

3 § 2. This act shall take effect on the forty-fifth day after it shall
4 have become a law and shall apply to all judgments entered on or after
5 such date.