



MINNESOTA JUDICIAL TRAINING UPDATE



CIVIL JUDGMENTS

TEN QUESTIONS EVERY JUDGE SHOULD KNOW

1) **WHAT IS A CIVIL JUDGMENT?**

A judgment is the final written determination of the rights of the parties in an action before the court or administrative proceeding, (e.g., default judgment).

2) **WHEN IS A JUDGMENT CONSIDERED ENTERED?**

Entry of judgment is the administrative act of creating, signing and recording a separate judgment document in the Court Administrator's Register of Actions, or by affixing certification language to the Court's Order for Judgment that reads similar to the following:

"The above Conclusions of Law and/or Order for Judgment constitutes the Judgment of this Court."

3) **WHAT IS THE PRACTICAL EFFECT OF ENTERING JUDGMENT?**

- a. Serves as the final written determination of the rights of the parties in an action before the court or in a ministerial proceeding (default judgment);
- b. Establishes the start date for the ten-year lifespan of a civil judgment. MS 548.09;
- c. Begins the 60-day appeal period from the judgment;
 - i. *unless the appeal period is controlled by another rule or statute. See Minnesota Rules of Civil Appellate Procedure, 104.01, Subd. 1.*
- d. Post-judgment interest (simple, not compound interest) begins to accrue at rates provided by law (see #9 below on Post-Judgment Interest).

4) WHEN IS A JUDGMENT DOCKETED?

- a. Docketing a judgment is separate and distinct from *entering* a judgment. To Docket a judgment the judgment creditor must file with the court an "Affidavit of identification of Judgment Debtor" (M.S. 548.09, Subd. 2);
- b. Docketing a judgment occurs when Court Administration makes docketing entries into the MNCIS computer system. The judgment then appears on the Judgment Abstract Report (e.g. MNCIS "judgment docket").

5) WHAT IS THE PRACTICAL EFFECT OF DOCKETING?

- a. JUDGMENT BECOMES PUBLICLY ACCESSIBLE: makes the existence of the judgment (and details related thereto) available to the public either through direct access of such information from entries on the MNCIS Judgment Abstract Report or through an Internet Judgment Search using the MN Public Access (MPA) version of the MNCIS computer system. For example, many agencies (e.g., abstract companies, credit bureaus, title companies, etc.) regularly collect information about docketed money judgments either by examining the physical records in a Court Administration office or by accessing such judgment information by means of the Internet;
- b. LIEN ON PROPERTY: creates a lien on real property of the judgment debtor within the county where the judgment is entered and docketed. It also creates a lien on real property of the judgment debtor in any other county where a transcript of the judgment has been duly docketed. For example, if a judgment debtor is conducting a real estate transaction, a record of a docketed civil judgment on Torrens or abstract property records may create a cloud on the title of the real property that impacts the real estate conveyance;
- c. WRIT OF EXECUTION: A judgment creditor may seek to enforce a civil judgment by obtaining a writ of execution from the Court Administrator or by initiating garnishment proceedings. A writ of execution can only be issued by the Court Administrator in the county where judgment was first entered and docketed (i.e. "county of original jurisdiction"). The writ of execution may be directed to the Sheriff of that county who may attempt

to collect the debt. A civil judgment may also be enforced in multiple other MN counties where a judgment debtor may have potential assets but only after a Transcript Judgment has been docketed in such counties. However, only the county of original jurisdiction may issue writs of execution and only one writ of execution may be issued to a given county at a time;

6) **WHERE CAN YOU FIND A DOCKETED JUDGMENT?**

Information on a docketed civil judgment appears on a daily report generated by the MNCIS computer system called the "Judgment Abstract Report." Interested parties may go to Court Administration offices and ask to see that physical report or they may access the Minnesota Public Access (MPA) version of MNCIS using the Internet.

7) **WHAT IF A JUDGMENT IS ENTERED BUT NOT DOCKETED?**

If a civil judgment has been entered but not docketed, no evidence of that judgment will appear on the Internet's Minnesota Public Access (MPA) version of MNCIS pursuant to a Judgment Search.

8) **WHEN DOES INTEREST START ACCRUING ON A JUDGMENT?**

Post-judgment interest begins to accrue at the rate established annually by the State Court Administrator (see # 9 below) from the date of judgment *entry*, not the date that judgment is docketed.

9) **WHAT IS THE INTEREST RATE FOR JUDGMENTS?**

The following is a brief summary of the four basic interest types. For a full discussion of this complex and confusing area please refer to the "Minnesota Judgment Reference Manual" located on CourtNet:

THE FOUR BASIC INTEREST TYPES ARE DESIGNATED AS FOLLOWS:

- a) INTEREST ON A DEBT: The interest for any indebtedness shall be at the rate contracted for in writing or, if no specific interest rate is noted in a

written contract or agreement, then the current rate as established by statute (6%) may serve as a fall-back percentage. M.S. 334.01.

- b) PREJUDGMENT INTEREST: The Interest Rate is set based on the contract, agreement, court order or if there is no such information, then the rate is set pursuant to M.S. 549.09, Subd. 1(c)(1) and Subd. 1(b);
- c) POST-VERDICT/PRE-JUDGMENT INTEREST: The period of time between jury verdict (or the Court's order for judgment) and the physical entry of judgment. Interest to be calculated according to M.S. 549.09, Subd. 1(a).
- d) POST-JUDGMENT INTEREST: M.S. 549.09, Subd. 1(c)(1) and Subd. 1(c)(2) establishes the annual interest rate to be applied to judgments from the entry date to the satisfaction date.

10) **HOW IS A JUDGMENT SATISFIED?**

M.S. 548.15 identifies five direct means of satisfying a judgment, namely:

- 1) Writ of execution satisfies judgment (as noted in the Sheriffs return);
- 2) A Certificate of Satisfaction signed and acknowledged by creditor;
- 3) A like certificate signed and acknowledged by the creditors attorney, (this option ceases at the end of six years from entry of judgment);
- 4) An order of the court requiring execution of a "Certificate of Satisfaction" or directing satisfaction to be entered without it;
- 5) In non-original counties, filing a copy of either of the foregoing documents, certified by the Court Administrator of the county where the judgment was originally entered and filed.

NOTE: What If Judgment Creditor Cannot Be Located? Judgment debtor may file an affidavit stating that a diligent search has been made, but that neither the debtor nor anyone empowered to receive payment has been located. The Court may issue an order directing the Court Administrator to accept the monies, satisfy the judgment and issue a Certificate of Payment and Satisfaction to the judgment debtor. M.S. 548.17, Subd. 1.

RESOURCE: Jo Ann Bennett, Chief Deputy Anoka County Court Administration;
Author of "MINNESOTA JUDGMENT REFERENCE MANUAL" located on CourtNet.