IN THE SUPREME COURT FOR THE STATE OF ALASKA

ORDER NO. 818

Amending Civil Rule 68 to incorporate AS 09.30.065 and to specify that an offer of judgment is not revocable

IT IS ORDERED:

Civil Rule 68 is amended to provide:

- (a) At any time more than 10 days before the trial begins, either the party making a claim or the party defending against a claim may serve upon the adverse party an offer to allow judgment to be entered in complete satisfaction of the claim for the money or property or to the effect specified in the offer, with costs then accrued. The offer may not be revoked in the 10 day period following service of the offer. If within 10 days after service of the offer the adverse party serves written notice that the offer is accepted, either party may then file the offer and notice of acceptance together with proof of service, and the clerk shall enter judgment. An offer not accepted within 10 days is considered withdrawn and evidence of the offer is not admissible except in a proceeding to determine costs. The fact that an offer is made but not accepted does not preclude a subsequent offer.
- (b) If the judgment finally rendered by the court is not more favorable to the oferee than the offer, the prejudgment interest accrued up to the date of judgment is entered shall be adjusted as follows:
 - (1) if the offeree is the party making the claim, the interest rate will be reduced by the amount specified in AS 09.30.065 and the offeree must pay the costs and attorney's fees incurred after the making of the offer (as would be calculated under Civil Rules 79 and 82 if the offeror were the prevailing party). The offeree may not be awarded costs or attorney's fees incurred after the making of the offer.
 - (2) if the offeree is the party defending against the claim, the interest rate will be increased by the amount specified in AS 09.30.065.

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(c) When the liability of one party to another has been determined by verdict or order or judgment, but the amount or extent of the liability remains to be determined by further proceedings, the party adjudged liable may make an offer of judgment, which shall have the same effect as an offer made before trial if it is served within a reasonable time not less than 10 days prior to the commencement of hearings to determine the amount or extent of liability.

DATED: <u>April 22, 1987</u>

EFFECTIVE DATE: August 1, 1987

Chief Justice Rabinowitz

Justice Burke

Justice Matthews

Justice Compton

Justice Moore