

ARE YOU A CREDITOR ON AN OUTSTANDING JUDGMENT? IF SO, REMEMBER TO RENEW YOUR JUDGMENT BEFORE IT'S TOO LATE

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Obtaining a favorable judgment at the end of a contentious lawsuit marks an important milestone in the creditor's journey to recovery. However, the journey does not end there. Judgments still need to be collected or enforced, and every state imposes a finite amount of time for the creditor to do so. In many states, a money judgment typically lasts for 10 years, whereas others allow a much shorter timeframe to act. *See State by State Survey* below for Jurisdictions currently served by WFZ. All is not lost, however, if the creditor finds itself facing down an impending expiration date for its judgment. In this article, we will explore the top reasons for renewing judgments and how they enable the judgment creditor to maximize recovery.

1. Protecting Investment

The process of obtaining a judgment requires a significant investment of time, money, and effort in pursuing a legal case. For business owners, it frequently entails diverting valuable human and physical capital that may otherwise be put to more productive use in making the business more profitable. Letting a judgment expire without renewing puts your investment to waste. Taking time and care to properly renew helps protect the value of those investments spent to procure the initial legal victory.

2. Interest Accumulation

In many jurisdictions, judgments also include interest that starts accruing from when the lawsuit commences (pre-judgment interest) and when judgment issues (post-judgment interest). Additionally, post-judgment interest provided by statute are frequently calculated based on lending rates that fluctuate over time. By renewing the judgment, the debtor remains liable for the interest amounts that have already accrued, which can significantly increase the overall debt owed.

3. Keeping Debtor Accountable

Renewing a judgment serves as a reminder to the debtor that the debt remains outstanding. Debtors are generally required to be notified of creditor's intent to renew its judgment. It can motivate the debtor to work towards repaying the judgment amount knowing that the judgment will remain enforceable for many more years to come. It can also deter those debtors who try to game the collection process in the hope that the judgment will expire before taking interest in valuable assets. By timely renewing the judgment, the creditor can thwart such evasive strategies.

4. Flexible Enforcement

Although a few states limit the number of times a creditor may renew its judgment, all states allow a creditor at least one opportunity to enlarge the window of opportunity for recovery. This may be particularly important where the debtor initially lacked valuable assets to be executed upon due to age, lack of employment or other personal factors. A larger time horizon may therefore increase the probability of recovery when the debtor does eventually come into possession of valuable assets that may be levied against.

5. Protecting Property Liens

An unexpired judgment is also necessary to maintain a continuing lien or security interest against the debtor's real and/or personal property. Indeed, in many states, a properly executed judgment renewal will also keep the corresponding lien in place. As the priority among different liens attached to the same property will often depend on which liens record first, taking steps to timely renew is a simple step to ensure the creditor preserves its place in the priority queue to get paid.

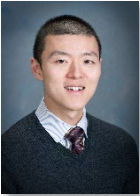
In sum, renewing a judgment is vital to protecting the creditor’s substantial investments in earning its initial legal victory and allowing the creditor to stay vigilant in the process of collecting on the judgment. While these benefits apply across the board, achieving them requires careful execution of a custom-tailored strategy that takes into account the applicable state law deadlines, the nature of the judgment, the available methods of renewal, among other case-specific factors. As illustrated in the *State by State Survey* below, state law governing judgment renewals are quite varied in defining the finite life of a judgment. Therefore, it is essential for creditors wishing to maximize their financial interest to seek out counsels who are experienced in the nuances and complexities of the judgment renewal process.

STATE BY STATE SURVEY*

STATE	NO. OF YEARS JUDGMENT IS VALID FOR	RELATED NOTES
California	10 years	Lump sum money judgment or judgment for possession/sale of property are enforceable for 10 years after entry. For money judgment payable in installments, the 10 years run from the date the installment becomes due. Certain money judgments may only be renewed once.
Washington	10 years	Generally, judgment creditor may have legal process issued for collection or enforcement of the judgment at any time within 10 years from entry of the judgment. Different starting date applies for certain money judgments (e.g., accrued child support, criminal restitution, other financial obligations from criminal judgment).
Oregon	10 years	Generally, judgment remedies for a civil judgment expire 10 years after entry of judgment. Longer time periods apply to judgments entered in criminal (20-50 years) and domestic proceedings (25-35 years) from date of entry.
Montana	10 years	Judgment may be enforced at any time within 10 years from when final judgment is rendered. Different starting date applies for judgments for payment of child support.
Hawaii	10 years	Judgment and decree of any court of the State shall be presumed paid and discharged at the expiration of 10 years after the judgment or decree was rendered. Judgment and decree may be extended once for another 10 years.
South Dakota	10 years	Judgment which directs payment of money may be renewed at any time prior to the expiration of ten years from first docketing of such judgment.
Arizona	10 years (5 years on older judgments)	Judgments entered on or before August 2, 2013 must be renewed by August 2, 2018. Otherwise, renewal may be by new lawsuit filed within 10 years of date of judgment or affidavit filed within 10 years of entry of judgment or date of filing prior renewal affidavit.
Idaho	10 years	Generally, judgments may be renewed prior to expiration of 10 years from the date of judgment. Different starting dates apply for judgments for child support. Long time period applies to judgments for restitution for crime victims.
Utah	8 years	Generally, judgments shall continue for eight years from the date of entry in a court unless previously satisfied or unless enforcement of the judgment is stayed in accordance with law. Exception applies to child support orders.
New Mexico	7 years	Execution may issue within 7 years after the rendition or revival of the judgment. Although a judgment is technically enforceable for 14 years, it becomes “dormant” after 7 years and must first be “revived” before it may be enforced during the balance of the 14-year period.
Nevada	6 years	Judgments may be renewed by affidavit filed within 90 days before the date of judgment expires by limitation – 6 years.

**Information in this table is current as of October 2023.*

If you have any questions about this article, need a judgment renewed or any other Nevada legal issue, please feel free to contact Michael Li at yli@wrightlegal.net.



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