SO ORDERED.

SIGNED this 8 day of September, 2026.

Austin E. Carter
Chief United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF GEORGIA
MACON DIVISION

In re:	)	
	)	
Robert Gordon Gray,	)	Case No. 26-50171-AEC
	)	
Debtor.	)	Chapter 13
	)	
Robert Gordon Gray,	)	
	)	
Movant,	)	
	)	
v.	)	Contested Matter
	)	
Chatham Bend Holdings, LLC,	)	
	)	
Respondent.	)	

ORDER ON DEBTOR'S OBJECTION TO CHATHAM BEND HOLDINGS, LLC'S CLAIM NO. 7

Creditor Chatham Bend Holdings, LLC ("CBH") filed a proof of claim (the "Claim") in this bankruptcy case, based on a judgment obtained against the Debtor Robert Gordon Gray (the "Debtor") in a North Carolina court. Claim No. 7. The Debtor filed an objection to the allowance (the "Objection"), arguing that CBH incorrectly applies Georgia law to determine the amount of postjudgment[1] interest. Doc. 22. At the hearing on the Objection, the Court heard from the Debtor and CBH,

[1] Authorities differ as to whether the term is appropriately spelled "postjudgment" or post-judgment." O.C.G.A. § 7-4-12(c) refers to "postjudgment" interest, so this Court follows suit, except when quoting from a source that spells the term "post-judgment."

as well as the Chapter 13 Trustee, and each submitted a post-hearing brief related to the applicable postjudgment interest rate for calculation of the Claim. Docs. 42–44. The interest rate used will have a substantial effect on the creditor distributions made in this case.

The issue before the Court is to determine the state law applicable to the calculation of postjudgment interest to the judgment on which the Claim is based. This dispute appears to involve an unanswered question concerning Georgia's Uniform Enforcement of Foreign Judgments Law ("UEFJL"), O.C.G.A. §§ 9-12-130, *et seq*.[2] The parties agree that this is a matter of first impression in Georgia and have been unable to cite cases directly on point.

I. Findings of Fact

On November 13, 2012, Commercial Credit Group, Inc. ("Commercial") obtained a judgment against the Debtor in the Superior Court of Mecklenburg County, North Carolina. The basis for the judgment is a breached promissory note with a 24.33% interest rate.[3] The North Carolina court awarded Commercial judgment "in the principal amount of $117,515.94, plus pre-judgment interest from March 12, 2012 in the amount of $14,910.00, and legal expenses in the amount of $1,175.00…." *Commercial Credit Group, Inc. v. ABC Disposal, LLC, Robert G. Gray and Trina M. Gray*, Case No. 12-CVS-7774 (Mecklenburg Cnty. Super. Ct. Nov. 14, 2012); Claim 7-2 at 9. The judgment specifies that it "shall accrue interest hereafter at the legal rate until paid in full." *Id.* North Carolina's legal rate at the time of entry of the judgment (and at the time of the domestication of the judgment in Georgia) was 8%. N.C. Gen. Stat. § 24-1 (2012). On December 7, 2012, Commercial

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[2] The Uniform Law Commission, as well as some states, refer to this Uniform Act as the "Uniform Enforcement of Foreign Judgments Act" or "UEFJA." The Court will use both defined terms UEFJL and UEFJA in this decision.

[3] Although the contract was not submitted into evidence, the Debtor's counsel stipulated at the hearing that the judgment is based on a promissory note made by the Debtor that provides for a 24.33% interest rate.

domesticated the North Carolina judgment in the Superior Court of Monroe County, Georgia. Commercial recorded a Fi.Fa and later assigned the judgment to CBH.

II. Which State Law Governs Post-Judgment Interest

The parties present three positions as to the appropriate rate of postjudgment interest.

CBH asserts that the 8% North Carolina rate applies until the date of domestication, at which point the contract rate of 24.33% applies, in accordance with O.C.G.A. § 7-4-12(b). CBH used this method in calculating the $501,304.21 figure stated in the Claim, as amended.[4]

The Debtor contends the applicable interest rate, from judgment date to present, is North Carolina's 8% postjudgment interest rate. Applying that rate, the Debtor calculates the Claim to be no more than $248,526.95.

The Trustee's position is that Georgia's postjudgment rate under O.C.G.A. § 7-4-12(a)—6.25% at the time of judgment—should apply from the date of the judgment forward.[5] Under the Trustee's theory, the Claim should be approximately $214,331.60.

A. Substantive Right or Procedural Enforcement Mechanism

There are two primary schools of thought regarding whether a foreign judgment accrues postjudgment interest at the foreign rate or the domestic rate. The first (the Debtor's position) is that the postjudgment interest rate is a

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[4] The figures used in this Order with respect to the parties' positions are approximated. Because factual questions remain regarding payments and their timing, the parties have asked the Court to determine only which interest rate applies to the Claim, not to make a final determination as to its amount. In addition, the Court defers consideration of the Trustee's objection under Federal Rule of Bankruptcy Procedure 3001(c)(2). Even if CBH's Claim violates that Rule, the issue addressed herein by the Court concerning rate of postjudgment interest would not be affected by the remedies set forth in Rule 3001(c)(3). The Trustee may renew her request for a ruling on CBH's compliance with Rule 3001(c)(2).

[5] As an alternative, the Trustee proposes, similar to CBH, that the North Carolina rate applies until domestication, but, unlike CBH, that O.C.G.A. § 7-4-12(a) applies after domestication instead of subsection (b).

substantive part of the judgment and therefore entitled to full faith and credit. The other view (CBH's position) is that postjudgment interest is a procedural enforcement mechanism governed by the law of the state in which a judgment is domesticated. The reason for these outcomes is rooted in choice of law rules. Generally, if a court finds postjudgment interest a procedural matter, the rule of the domesticating forum prevails, and if a court considers postjudgment interest a substantive right, the law of the foreign state prevails.

1. States in which the foreign rate applies

The position of the Debtor is that postjudgment interest rates are a matter of substantive law, part and parcel of the judgment itself, and that, to give full faith and credit to the North Carolina judgment, the original judgment's postjudgment interest rate under North Carolina law must prevail. The parties agree that North Carolina law would apply a postjudgment interest rate of 8%. *See* N.C. Gen Stat. §§ 24-1, 24-5; *Barrett Kays & Assocs., P.A., v. Colonial Bldg. Co*, 129 N.C. App 525, 529, 500 S.E.2d 108 (1998). Therefore, the Debtor believes that the domesticated Georgia judgment continues to carry an 8% interest rate.

The Debtor supports his position with sources from Indiana, Texas (via the Fifth Circuit Court of Appeals), and Michigan. *See Johnson v. Johnson*, 849 N.E.2d 1176, 1178–80 (Ind. Ct. App. 2006) ("[A] provision for post-judgment interest on a foreign money judgment is a substantive part of that judgment, not merely an enforcement mechanism.");[6] *DeVoll v. Johnston (In re Johnston)*, No. 01-50865, 2002 U.S. App. LEXIS 28659, at *5–6 (5th Cir. Mar. 18, 2002) ("[I]t is clear that

[6] The *Johnson* court specifically addresses Georgia practice, citing *Osborne v. Bank of Delight*, 173 Ga. App. 322, 326 S.E.2d 523, 524 (1985) for the proposition that Georgia applies the foreign postjudgment interest rate to domesticated judgments. However, as admitted by the Debtor in the hearing, *Osborne* does not stand for that proposition. Rather, the appellant in *Osborne* challenged the amount of interest included in the judgment at the time it was domesticated. The court gave no consideration to the issue of which state's law would apply to the accrual of post-judgment interest *after* domestication. Moreover, the *Osborne* decision predates the enactment of Georgia's UEFJL.

under Texas law judgment interest rates are a matter of substantive law controlled by the law of the state where the cause of action arose."); Mich. Comp. Laws Ann. § 691.1176 ("Post judgment interest will be awarded in accordance with the law of the jurisdiction in which the judgment was awarded.").[7, 8]

2. States in which the local rate applies

CBH, on the other hand, asserts that postjudgment interest serves as a mere procedural mechanism to enforce judgments, and that, as a matter of procedure, the rate of postjudgment interest is not afforded full faith and credit but instead is subject to the forum state's laws. CBH further argues that, in order to give a foreign judgment the same effect as though it were rendered in Georgia, as provided in O.C.G.A. § 9-12-132, then the Georgia postjudgment interest rate must apply once domesticated.

CBH provides a variety of sources to support its position. Some decisions, such as *Sunstone Realty Partners X LLC v. Bodell Constr. Co.*, 2024 UT 9, 545 P.3d 260 (2024) and *Mike Smith Pontiac, Inc. v. Mercedes-Benz, Inc.*, 356 Md. 542, 741 A.2d 462 (1999), apply the UEFJA and appear directly on point, albeit for the UEFJA in Utah and Maryland, respectively.[9] Additionally, CBH cites to a

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[7] Like Michigan, other states have codified application of the foreign rate. *See, e.g.*, *Ritterbusch v. New London Oil Co.*, 927 S.W.2d 873, 875 (Mo. Ct. App. 1996) (applying 6% interest, Pennsylvania's post-judgment rate in 1987) (citing Mo. Rev. Stat. § 511.760(14); *Whitted v. Jordan*, No. 77967-2-I, 2019 Wash. App. LEXIS 906 (Ct. App. Apr. 22, 2019) ("The rate of interest payable on a foreign judgment registered in Washington is determined by the law of the state that rendered the judgment.") (citing Wash. Rev. Code § 6.36.140).

[8] There are other states, such as Pennsylvania, which apply the postjudgment interest rate according to the law of the place where the contract is made, from date of entry of the judgment and after its domestication. *See, e.g., Dooley v. Rubin*, 422 Pa. Super. 57, 63, 618 A.2d 1014, 1017 (1993) ("[T]his Court applie[s] Pennsylvania's long standing rule that interest is payable according to the law of the place where the contract is made unless payment is to be made elsewhere … to foreign judgments transferred to Pennsylvania for enforcement.") (citations and quotations omitted).

The Debtor reports that the promissory note includes a choice of law provision, providing that the contract is made and shall be construed under Delaware law. No party has suggested that Delaware law should apply to the postjudgment interest rate.

[9] Other cases cited by CBH do not concern the UEFJA but rather address application of a state's local postjudgment interest rate to judgments from foreign countries. *See, e.g.*, *Kotbi v. Najjar*, 2024 NY Slip Op 03087, 228 A.D.3d 434, 213 N.Y.S.3d 36 (App. Div. 2024); *Abu Dhabi Commercial Bank*

Minnesota case to support its position, but that decision rests on statutory authority that the Minnesota postjudgment interest rate applies to domesticated judgments, Minn. Stat. § 548.27. *See AVR Commc'ns, Ltd. v. Am. Hearing Sys., Inc.*, 868 N.W.2d 290, 297-98 (Minn. Ct. App. 2015) (assessing postjudgment interest under Minnesota UEFJA as to federal district court judgment based on recognition of foreign country proceeding).

Despite their dissimilarities, the sources CBH cites follow similar themes in their reasoning to apply the local rate. Maryland resolves post-judgment interest on domesticated judgments using *lex fori*, or the law of the forum, meaning Maryland applies its own postjudgment interest rate to foreign judgments. *Mike Smith Pontiac, Inc.*, 356 Md. at 556. In doing so, that court categorized postjudgment interest as a manner of enforcement, and effect and manner of judgment enforcement is governed by *lex fori*. *Id.* at 557.[10] The *Mike Smith* court cites Maryland's adopted UEFJA to support its decision. *Id.* at 558; Md. Code Ann., Cts. & Jud. Proc. § 11-802(b) ("A filed foreign judgment has the same effect … as a judgment of the court in which it is filed."). Similarly, Utah's rule is that non-substantive, procedural matters, like postjudgment interest, are governed by the law of the forum. *Sunstone Realty Partners X LLC*, 545 P.3d at 265.

Although not cited by CBH, Massachusetts follows similar reasoning. *Budish v. Daniel*, 417 Mass. 574, 575-76, 631 N.E.2d 1009, 1011 (1994) ("We have consistently held that interest on foreign judgments is to be computed in accordance with our statutes, as a matter touching the remedy.") (citations and quotations omitted). In explaining its rule that the law of the forum governs the rate of

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PJSC v. Saad Trading, 2014 NY Slip Op 3767, 117 A.D.3d 609, 986 N.Y.S.2d 454 (App. Div.); *Blasket Renewable Invs., LLC v. Spain*, Civil Action No. 20-817, 2025 U.S. Dist. LEXIS 230683, at *11 (D.D.C. Nov. 24, 2025).

[10] At the time of the *Mike Smith* decision, that court understood its position to be the minority view. *Id.* at 557 n.8.

postjudgment interest, the Massachusetts Supreme Court explained that "the rate of interest is not part of the judgment, and no effect need constitutionally be given to it; even when the foreign judgment by its terms bears interest, this is not an integral part of the judgment, and interest is allowed at the Massachusetts statutory rate." *Id*. at 579 (cleaned up).

In categorizing the postjudgment interest rate as procedural, courts often label the rate as an enforcement measure. *E.g.*, *Spain*, 2025 U.S. Dist. LEXIS 230683, at *11. When labeled an enforcement measure, postjudgment interest rates are not afforded full faith and credit. *Baker v. GMC*, 522 U.S. 222, 235, 118 S. Ct. 657, 665 (1998). "Full faith and credit…does not mean that States must adopt the practices of other States regarding the time, manner, and mechanisms for enforcing judgments. Enforcement measures do not travel with the sister state judgment.… [Enforcement] measures remain subject to the even-handed control of forum law." *Id*.

Courts have concluded that postjudgment interest rates are procedural enforcement measures for several reasons. First, postjudgment interest compensates a successful plaintiff for delay in satisfaction. *Spain*, 2025 U.S. Dist. LEXIS 230683, at *11 (quoting *Kaiser Aluminum & Chem. Corp. v. Bonjorno*, 494 U.S. 827, 835-36, 110 S. Ct. 1570, 1576 (1990)); *Soc'y of Lloyd's v. Reinhart*, 402 F.3d 982, 1004 (10th Cir. 2005) ("[Post judgment interest] preserves the value of the award as originally decided, affording neither party a benefit."). In addition, postjudgment interest encourages prompt payment by judgment debtors to avoid payout of additional compensation. *Spain*, 2025 U.S. Dist. LEXIS 230683, at *11. Hence, "postjudgment interest acts as an enforcement tool to ensure that the award of just compensation will not be diminished by delay." *Sunstone Realty Partners X LLC*, 545 P.3d at 264 (quotation omitted). In other words, unlike prejudgment interest, postjudgment interest has no effect should a debtor pay immediately. *Id*.

Second, also unlike prejudgment interest, postjudgment interest is seen as collateral to the judgment because it does not depend on the merits of the case. *Spain*, 2025 U.S. Dist. LEXIS 230683, at *11 (citing *United States v. Great Am. Ins. Co.*, 738 F.3d 1320, 1326 (Fed. Cir. 2013)). Postjudgment interest does not create a substantive right because, upon entry of judgment, the value of plaintiff's monetary award is already determined. *Sunstone Realty Partners X LLC*, 545 P.3d at 264 (citing *Lockley v. CSX Transp. Inc.*, 2013 Pa. Super. 48, 66 A.3d 322, 326 (Pa. Super. Ct. 2013)). Therefore, "[a]lthough prejudgment interest is an integral part of the monetary relief granted…, a post-judgment interest provision is generally collateral to the underlying judgment or award and is merely an enforcement mechanism designed to encourage timely satisfaction of the judgment." *Aqua Mgmt. v. Abdeen*, 224 Ariz. 91, 95, 227 P.3d 498, 502 (Ct. App. 2010).

Finally, postjudgment interest is considered procedural because federal courts enforcing state court judgments or exercising diversity jurisdiction generally apply the rate provided by 28 U.S.C. § 1961. *E.g.*, *Walker v. Life Ins. Co. of N. Am.*, 59 F.4th 1176, 1194–95, (11th Cir. 2023); *Figa v. R.V.M.P. Corp.*, 874 F.2d 1528, 1533 (11th Cir. 1989); *G.M. Brod & Co. v. U.S. Home Corp.*, 759 F.2d 1526, 1542 (11th Cir. 1985). In applying the federal rate, the Tenth Circuit Court of Appeals concluded that judgment creditors "derive various benefits from utilizing the…court system to procure the execution and enforcement of its judgments," and in return, judgment creditors are "subject to the [local] formula for determining an equitable post-judgment interest." *Soc'y of Lloyd's*, 402 F.3d at 1005.

3. Georgia Domestication Orders

The Court has reviewed domestication orders by various state and superior courts in Georgia and finds they take different approaches as to whether to apply the postjudgment interest rate from the state where the judgment was rendered, or to apply Georgia's rate. Aside from not being uniform, the Georgia trial court

decisions are of limited use because it is not apparent that the question of which state law governs postjudgment interest was contested.

One group of these decisions dictates that postjudgment interest applies at the foreign rate before domestication and at the local rate after domestication. *E.g.*, *Ham Grp. Invs. & Acquisitions, LLC v. Asare Int'l Invs., LLC*, No. 25CV6652, 2025 Ga. Super. LEXIS 4469, at *2–*3 (Dekalb Super. Ct. Oct. 31, 2025) (ordering South Carolina judgment domesticated and holding that Georgia law will govern postjudgment interest); *Light Land Dev. LLC v. Renewable Energy Equip. Leasing, LLC*, No. 2019CV330827, 2020 Ga. Super. LEXIS 2973, at *1 (Fulton Super. Ct. Oct. 30, 2020) ("Post-judgment interest shall accrue from the date of August 28, 2019 Judgment to the date of this order at the rate as mandated by the Court of Commons Pleas for the 147th Judicial Circuit Court of Jasper County in South Carolina, and shall accrue at the Georgia statutory rate from the date of this Order."); *Synovus Bank v. Grayson Mgmt.*, No. 18100730, 2018 Ga. Super. LEXIS 63, at *1–*2 (Cobb Super. Ct. Feb. 17, 2018) (allowing for "post-judgment interest on the principal sum at the legal rate allowed under Georgia law"); *see also Austin v. Frederick J. Hanna & Assocs., P.C.*, No. 1:14-CV-00561, 2014 U.S. Dist. LEXIS 138436, at *3 (N.D. Ga. July 10, 2014) (while foreign interest rate for domesticated judgments not raised, agreeing with creditor that O.C.G.A. § 7-4-12 applied) *report and recommendation adopted, Austin v. Frederick J. Hanna & Assocs., P.C.,* No. 1:14-CV-0561, 2014 U.S. Dist. LEXIS 177821 (N.D. Ga. Dec. 23, 2014).

Another group of orders from Georgia trial courts applies the postjudgment interest rate of the rendering state. *E.g.*, *World Optics v. Attain Med*, No. 20EV007260, 2021 Ga. State LEXIS 4627, at *2–*4 (Fulton Super. Ct. Mar. 24, 2021) (applying California postjudgment interest to domesticated judgment); *Summit Funding Group v. Earshot Audiology*, No. 19EV003103, 2019 Ga. State

LEXIS 1108, at *1–*2 (Fulton Super. Ct. Aug. 27, 2019) (applying Ohio postjudgment interest rate to domesticated judgment).[11]

Many Georgia domestication orders reviewed by this Court, however, are ambiguous, providing only that postjudgment interest accrues at the legal rate or maximum rate allowed by law. *E.g.*, *Tscherne v. Rowe*, No. 2021CV345170, 2021 Ga. Super. LEXIS 2084, at *1 (Fulton Super. Ct. Mar. 11, 2021) ("Post-judgment interest shall continue to accrue at the legal rate of interest from the date of the original judgment until paid."); *WPP, LLC v. Lending Sols., Inc.*, No. 17-CV-4373, 2017 Ga. Super. LEXIS 5561, at *1 (Super. Ct. Dekalb May 30, 2017) (providing "together with court costs plus post-judgment interest accruing at the maximum rate allowed by law"); *Shulman v. E. Coast Diversified Corp.*, 15-1-3901-99, 2015 Ga. Super. LEXIS 8839, at *1 (Cobb Super. Ct. June 23, 2015) (clarifying when rate applies, but not which rate").

B. Analysis; Application in Georgia

Because Georgia does not have clear case law or statutory guidance regarding the appropriate postjudgment interest rate applicable to foreign judgments, the Court must make its own conclusion (or prediction) based on traditional conflict of law principles and a plain reading of the statutes that are available, as well as analogous case law. After thorough analysis, the Court concludes that Georgia law calls for application of its own postjudgment interest statute to a foreign judgment upon its domestication in Georgia under the UEFJL.[12]

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[11] In *Summit Funding Group*, a judgment creditor moved to amend a domestication order's interest rate from the 3% stated in the Ohio judgment to 8.5%, which was the rate under O.C.G.A. § 7-4-12(a) at that time it filed for domestication. From the pleadings available on the Fulton State docket, of which the Court takes judicial notice, it is unclear why the judgment creditor believed 8.5% to be the correct rate. The court declined the creditor's request, because the alleged incorrect interest rate did not qualify as a mistake properly correctable under the authority cited by the creditor. The court's order gives no indication that it considered the merits of the underlying question of which state's law should govern postjudgment interest on a domesticated judgment.

[12] The Court considers this issue appropriate for referral to the Georgia Supreme Court under O.C.G.A. § 15-2-9 as an issue of Georgia law which is determinative of this dispute and for which

1. Conflict of Laws

In Georgia, "[t]he traditional method of resolving choice-of-law issues is through a tripartite set of rules, which are *lex loci contractus*, *lex loci delicti*, and *lex fori*." *Lloyd v. Prudential Sec.*, 211 Ga. App. 247, 248, 438 S.E.2d 703, 704 (1993) (quoting *Fed. Ins. Co. v. Nat. Distrib. Co.*, 203 Ga. App. 763, 765, 417 S.E.2d 671, 673 (1992). Unless excepted by public policy, Georgia follows *lex loci* in substantive matters and *lex fori* in procedural matters. *Harvey v. Merchan*, 311 Ga. 811, 813–14, 860 S.E.2d 561, 567 (2021) (applied in tort case). Although not directly concluding that postjudgment interest is a procedural mechanism, Georgia courts have opined on the purpose of postjudgment interest as intended to deter post-judgment litigation, bring finality to judgments, and encourage prompt payment. *See, e.g., JTH Tax, Inc. v. Flowers*, 311 Ga. App. 495, 496, 716 S.E.2d 559, 560 (2011); *Davis v. Whitford Props.*, 282 Ga. App. 143, 148, 637 S.E.2d 849, 853 (2006) (quoting *Sec. Life Ins. Co. v. St. Paul Marine & Fire Ins. Co.*, 263 Ga. App. 525, 529, 588 S.E.2d 319, 323 (2003)). The language used to describe postjudgment interest in these cases is similar to that in the cases supporting CBH's position which characterize postjudgment interest as a procedural enforcement mechanism. Therefore, the Court predicts that Georgia law considers postjudgment interest a procedural matter.

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there is no Georgia Supreme Court controlling precedent. However, despite the bankruptcy court's status as a unit of the district court (*see* 28 U.S.C. § 151), the Court is unaware of successful referral by a bankruptcy court under this statute. The only such referral of which the Court is aware occurred in *Beegle v. Fischer Rd. Mezzanine Loan, LLC (In re Beegle)*, Adv. 12-1015, Case No. 11-13716, where, upon such referral, the Georgia Supreme Court required briefing from the parties as to whether a bankruptcy court is authorized under § 15-2-9. *See Beegle v. Fischer Rd. Mezzanine Loan*, Case No. S13Q0289 (Appellant Supplemental Brief, 2013 WL 288858, Jan. 16, 2013; Appellee Supplemental Brief, 2013 WL 209811, Jan. 11, 2013). The parties in that case settled their dispute before the Georgia Supreme Court answered the question *See Beegle v. Fischer Rd. Mezzanine Loan*, Order, Case No. S13Q0289 (Ga. Feb. 27, 2013); copy at *Beegle*, Adv. 12-1015, Doc. 40. Although the Court considers this case ideal for such a referral, the Court also recognizes that a referral from this Court would likely slow the pace of resolution of this dispute as the Court assumes the Georgia Supreme Court would, like in *Beegle v. Fischer Rd. Mezzanine Loan*, require briefing on the bankruptcy court's authority to make the referral.

Since postjudgment interest in Georgia is likely a procedural matter, governed by *lex fori*, the Georgia interest rate should apply to the judgment held by CBH, unless excepted by public policy. The Debtor articulated the following policy arguments: consistency of judgment across states; preventing arbitrage opportunity and abuse from litigants seeking to exploit differences in state post-judgment interest rates; preventing conflicts of satisfaction; and preventing confusion about which Georgia rate applies. The Court has considered these arguments and does not find they are sufficient to overcome Georgia's choice of law principles.

In applying Georgia's interest rate to a foreign judgment, Georgia has not altered the judgment. The judgment is still recognized as valid, but the judgment creditor is simply subjected to Georgia law regarding post-judgment remedy. Forum-shopping, by exploiting differences between state post-judgment interest rates, is unlikely because creditors seeking to execute their judgment must follow the debtor's assets. The dilemma of satisfaction between two states is solved similarly—if the assets satisfying the judgment are collected in Georgia, the Georgia rate applies. The foreign rate would apply if the assets used to satisfy the debt are collected in the foreign state. *See Mike Smith Pontiac*, 356 Md. at 556-57. Finally, which Georgia rate applies is not a problem exclusive to judgments domesticated in Georgia, but all Georgia judgments silent on postjudgment interest.

The rate of interest will have a substantial impact on the Debtor's bankruptcy case, but the substantial impact is not caused by the rate alone; the debtor's delay—either in payments towards the principal or in filing of the bankruptcy petition—also plays a significant factor.[13] The difference between the North Carolina interest rate and the Georgia interest rates are not so radically

[13] Considering it has been approximately 14 years since the judgment was entered, under any interest rate, the amount required to satisfy the judgment would increase substantially.

dissimilar that adoption of the Georgia rate would be in contravention of public policy. *See Auld v. Forbes*, 309 Ga. 893, 896–98, 848 S.E.2d 876, 880–81 (2020) (requiring radical dissimilarity and declining policy exception when remedy was only "somewhat different" and holding that "[a] mere difference in law is not sufficient to justify this exception."). The Court may not liberally create such an exception. *Id*.

2. Statutory Scheme

The Georgia UEFJL implements the full faith and credit clause as to judgments entered by courts of states other than Georgia. O.C.G.A. § 9-12-131. Before Georgia's adoption of the UEFJL in 1986, creditors seeking to domesticate a judgment in Georgia were required to file a new action.

The Georgia code section addressing post-judgment interest is O.C.G.A. § 7-4-12. The purpose of imposing postjudgment interest under this statute is "to deter post-judgment delay and bring finality to judgments." *JTH Tax, Inc. v. Flowers*, 311 Ga. App. 495, 496, 716 S.E.2d 559, 560 (2011).

Under this statute, "[t]he postjudgment interest . . . shall apply automatically to all judgments in this state and the interest shall be collectable as a part of each judgment whether or not the judgment specifically reflects the entitlement to postjudgment interest." O.C.G.A. § 7-4-12(c). Under Georgia's UEFJL, once a judgment is domesticated, a second judgment is not created or entered in Georgia, but the foreign judgment becomes enforceable. *Noaha, LLC v. Vista Antiques & Persian Rugs, Inc.*, 306 Ga. App. 323, 325, 702 S.E.2d 660, 662 (2010) ("A Georgia court need not, and, in fact, is not authorized to, enter a second or duplicate judgment."). Once that occurs, the domesticated foreign judgment has the "'same effect' as a judgment of the court in which it is filed." *Id.*

Once the North Carolina judgment is considered to have the same effect as a Georgia judgment, the plain language of O.C.G.A. § 7-4-12 governs, requiring that

all judgments in Georgia bear post judgment interest. "We are bound by the explicit 'all' and the mandatory word 'shall' in O.C.G.A. § 7-4-12." *Adc Constr. Co. v. Hall*, 202 Ga. App. 119, 120, (1991) (quoting *Henley v. Mabry*, 125 Ga. App. 293, 295 (1972)). Giving effect to the plain language, this Court concludes domesticated foreign judgments carry interest according to O.C.G.A. § 7-4-12.

3. Case Law

Although neither the parties nor the Court has located a decision from a Georgia appellate court (or federal court in Georgia) directly on point, the Court is influenced by analogous case law where Georgia courts have applied other features of Georgia judgments law to domesticated judgments. For example, in several reported decisions, the Georgia Court of Appeals has held that Georgia's judgment dormancy and renewal statutes (OCGA §§ 9-12-60, 9-12-61) apply to domesticated judgments. *See, e.g., Robinson v. Citibank, N.A.*, 365 Ga. App. 27, 877 S.E.2d 281 (2022); *First Merit Credit Svcs. v. Fairway Aviation, LLC*, 359 Ga. App. 829, 860 S.E.2d 126 (2021). Under the rationale of these cases, it is reasonable to predict that Georgia courts would apply the Georgia postjudgment interest rate statute to a foreign judgment once it is domesticated.

Other helpful case law originates from the procedure for registration of district court judgments in another district. Under that procedure, a judgment from one district court registered in another district is treated as if it were a judgment of the district in which the judgment is registered. 28 U.S.C. § 1963(a) ("A judgment so registered shall have the same effect as a judgment of the district court of the district where registered and may be enforced in like manner."). The Georgia Court of Appeals has made clear that, once registered, a district court's judgment is no longer a "foreign" judgment. *Guin v. Alarm Detection Indus., Inc.*, 278 Ga. App. 114, 116, 628 S.E.2d 376, 377 (2006) ("The language of [28 U.S.C. § 1963] is absolutely clear that once the judgment is registered in the new district, it 'shall have the same

effect as a judgment of the district court of the district where registered....' Thus, the judgment so registered is no longer a 'foreign' judgment.").

This language of 28 U.S.C. § 1963(a) mirrors the Georgia UEFJL, which provides:

> The clerk shall treat the foreign judgment in the same manner as a judgment of the court in which the foreign judgment is filed. A filed foreign judgment has the same effect and is subject to the same procedures, defenses, and proceedings for reopening, vacating, staying, enforcing, or satisfying as a judgment of the court in which it is filed and may be enforced or satisfied in like manner.

O.C.G.A. § 9-12-132.

The Court is informed by another facet of federal court judgments, where application of postjudgment interest is considered a procedural issue rather than substantive. In assessing awards of prejudgment interest on a diversity jurisdiction decision from a district court, the Eleventh Circuit has ruled that a district court must apply the substantive law of the forum state. *Ins. Co. of N. Am. v. Lexow*, 937 F.2d 569, 571 (11th Cir. 1991). In doing so, however, the Circuit has held that it does not consider postjudgment interest a substantive issue, so the law of the forum state is not applied to determine postjudgment interest. *Id.* Explaining further, the Circuit has noted:

> There is a *significant difference* between pre- and post-judgment interest . . . . Post-judgment interest can hardly be considered part of an award for compensation on a claim. However, a successful claimant is theoretically entitled to receive the compensation on the date of entry of the judgment; in practice, this is not feasible, and post-judgment interest serves to reimburse the claimant for not having received the money in hand on that day. This is effectuated by the federal statute providing interest on all federal court judgments. 28 U.S.C. § 1961. *This is to be distinguished from pre-judgment interest, which forms part of the actual amount of a judgment on a claim.*

FIGA v. R.V.M.P. Corp., 874 F.2d 1528, 1533 (11th Cir. 1989) (emphasis added); *see also Ins. Co. of N. Am. v. Lexow*, 937 F.2d 569, 572 & n.4 (11th Cir. 1991); *G.M. Brod & Co., Inc. v. U.S. Home Corp.*, 759 F.2d 1526, 1542 (11th Cir. 1985). Judge Royal of our District Court applied these principles when ruling that prejudgment interest was governed by Georgia law but that postjudgment interest was governed by federal law. *See Bryant Motors, Inc. v. Blue Bird Body Co.*, No. 5:06-CV-353, 2009 U.S. Dist. LEXIS 52287, at *6-8 (M.D. Ga. June 22, 2009) ("Unlike pre-judgment interest, which 'forms part of the actual amount of a judgment on a claim,' post-judgment interest 'serves to reimburse the claimant for not having received the money in hand on that day.'").

4. Other Considerations

The history and implementation in other states of the Uniform Enforcement of Foreign Judgments Act also informs the Court. For example, the 1948 version of the Uniform Act included a provision providing that postjudgment interest accrual is governed by the law of the state where judgment was originally rendered. Unif. Enforc. of Foreign Judgments Act 1948 § 14. That provision was eliminated in the 1964 amendments to the Uniform Act. *See Mike Smith Pontiac, Inc.*, 356 Md. at 553-54.

The Georgia UEFJL directs that it shall be interpreted with the spirit of uniformity with other states that have enacted it. O.C.G.A. § 9-12-137 ("This article shall be interpreted and construed to achieve its general purposes to make the law of those states which enact it uniform."). While is it of course impossible to construe Georgia's UEFJL in the same fashion as the each of the other 47 states that have enacted it, the Court notes that several states, including Michigan, Washington, Missouri, and Oregon, have added a provision to their respective Uniform Acts that the postjudgment interest rate from the state where judgment was originally

rendered will apply.[14] Logically then, it is apparent that the governments of these states considered it necessary to pass such a statute to avoid having their respective laws apply to the postjudgment interest rate on judgments domesticated in their states. Georgia, of course, has not enacted such a statute as part of its UEFJL.

As for the authorities cited by the Debtor, the Court finds them unpersuasive. The Indiana and Texas cases are based on principles of law recognized in those states for which there is no corollary in Georgia; likewise, Michigan's statute has no Georgia counterpart. Similarly, the Court is not persuaded by the Trustee's argument concerning the "legal rate" of interest. The decision of this Court (Judge Hershner) to which the Trustee cites concerns the determination of the proper rate of interest for the cram down of a secured claim in a chapter 13 plan; it does not inform the Court's assessment of the present scenario.

III. Whether subsection (a) or (b) of O.C.G.A. § 7-4-12 applies

Subsections (a) and (b) of O.C.G.A. § 7-4-12 provide different statutory interest rates depending on whether there is a specified rate in a written contract upon which the judgment is rendered. Under subsection (a), all judgments bear a post-judgment interest rate of the prime rate at the time of the judgment's entry plus 3%.[15]

However, subsection (b) provides that if the judgment is rendered on a written contract that provides a specified rate, the judgment bears interest at that rate.[16] This is a long-standing exception to the general rule that postjudgment

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[14] Mich. Comp. Laws Ann. § 691.1176; Wash. Rev. Code § 6.36.140; Mo. Rev. Stat. § 511.760(14); Or. Rev. Stat. § 24.140; *but see* Minn. Stat. § 548.27 (applying local rate to domesticated judgments).

[15] "All judgments in this state shall bear annual interest upon the principal amount recovered at a rate equal to the prime rate as published by the Board of Governors of the Federal Reserve System, as published in statistical release H. 15 or any publication that may supersede it, on the day the judgment is entered plus 3 percent." O.C.G.A. § 7-4-12(a).

[16] "If the judgment is rendered on a written contract or obligation providing for interest at a specified rate, the judgment shall bear interest at the rate specified in the contract or obligation." O.C.G.A. § 7-4-12(b).

interest accrues at the rate specified by statute. *See Airtab, Inc. v. Limbach Co., LLC*, 295 Ga. App. 720, 724, 673 S.E.2d 69, 73 (2009) (applying postjudgment interest under subsection (a) when appellant failed to evince controlling contractual rate); *Chilivis v. Rogers Oil Co.*, 135 Ga. App. 176, 177, 217 S.E.2d 179 (1975) (declining to apply former code section's 7% rate (Code § 57-108) and applying contract rate); *Cauthen v. Cent. Ga. Bank*, 69 Ga. 733 (1882) (applying contract rate). Georgia trial courts continue to honor this tradition. *E.g.*, *Peyton Vill. Condo. Ass'n, Inc. v. Grsan-Z Asset Recovery, LLC*, 2025 Ga. Super. LEXIS 1887, *3 (awarding 10% rate provided in homeowner's association governing documents); *see also Bask McDonough Hotel v. Am. Hotel Dev. Partners, LLC*, No. 1:10-cv-1883, 2013 U.S. Dist. LEXIS 49286, at *4 (N.D. Ga. Apr. 4, 2013) (applying 12% contract rate on judgment rendered on promissory note); *S. Polymer, Inc. v. Lakewood Eng'g & Mfg. Co.*, No. 1:08-CV-3875, 2009 U.S. Dist. LEXIS 33548, at *6 (N.D. Ga. Apr. 20, 2009) (applying 18% contract rate to default judgment where defendant failed to pay for delivery of goods).

Here, the Debtor concedes that CBH's judgment is rendered on a promissory note with 24.33% interest. This Cout cannot ignore the clear direction of § 7-4-12(b), and accordingly must apply the statutorily mandated contract rate. Therefore, the Court finds that the Claim accrues postjudgment interest at 24.33% per year.

IV. Whether Georgia Rate Applies at Time of Judgment or Time of Domestication

The Trustee suggests that the Georgia postjudgment interest rate should apply from the entry of the judgment in North Carolina. The Court is not persuaded.

The title of O.C.G.A. § 9-12-132, "Filing of judgment; force and effect *following filing*" informs this conclusion. *Id.* (emphasis added). A domesticated

judgment is treated with the "same effect,"—and therefore post-judgment interest rate—"as a judgment of the court in which it is filed" only after filing for domestication. *See id*. Applying the local rate to a foreign judgment retroactively would be illogical. *Mike Smith Pontiac, Inc.*, 356 Md. at 565. Therefore, the Court finds that the foreign judgment accrues interest according to the state that issued the judgment until domestication, at which point the foreign judgment is treated according to local laws, including accrual of post-judgment interest at the local rate. *Soc'y of Lloyd's*, 402 F.3d at 1005 (The [local] post-judgment rate should apply as of the date of the entry of the judgment in the [local] court.")

V. Conclusion

For the foregoing reasons, the Debtor's objection to CBH's Claim No. 7 is OVERRULED as it relates to which state's law governs the accrual of postjudgment interest on CBH's Claim.