

By: Averitt

S.B. No. 1156

A BILL TO BE ENTITLED

AN ACT

relating to determination of the postjudgement interest rate.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 304.003 (c), Finance Code, is amended to read as follows:

(c) The postjudgement interest rate is:

(1) the weekly average 1-year constant maturity treasury yield [~~auction rate quoted on a discount basis for 52-week treasury bills issued by the United States government~~] as most recently published by the Board of Governors of the Federal Reserve System [~~Federal Reserve Board~~] before the date of computation;

(2) 10 percent a year if the auction rate described by Subdivision (1) is less than 10 percent; or

(3) 20 percent a year if the auction rate described by Subdivision (1) is more than 20 percent.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.