

AN ACT

relating to the interest rate to be paid on the deposits made by customers of a water, electric, gas, or telephone utility.

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

SECTION 1. Section 183.003, Utilities Code, is amended to read as follows:

Sec. 183.003. RATE OF INTEREST. ~~[(a)]~~ The commission each December 1, or the next regular workday if December 1 is a Saturday, Sunday, or legal holiday, shall set the annual interest rate for the next calendar year on deposits governed by this chapter at ~~[-~~

~~[(b) The commission may not set the rate at an amount that exceeds the lesser of:~~

~~[(1) 85 percent of]~~ the average rate paid over the previous 12-month period on United States treasury bills with a 26-week ~~[12-month]~~ maturity ~~[date, or~~

~~[(2) 12 percent].~~

~~[(c) The commission may not set the rate at an amount that is less than six percent.]~~

SECTION 2. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 3460 was passed by the House on May 9, 2005, by the following vote: Yeas 84, Nays 51, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3460 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor