

1-1 By: Baxter (Senate Sponsor - Fraser) H.B. No. 3460  
1-2 (In the Senate - Received from the House May 10, 2005;  
1-3 May 12, 2005, read first time and referred to Committee on Business  
1-4 and Commerce; May 18, 2005, reported favorably by the following  
1-5 vote: Yeas 6, Nays 0; May 18, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the interest rate to be paid on the deposits made by  
1-9 customers of a water, electric, gas, or telephone utility.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 183.003, Utilities Code, is amended to  
1-12 read as follows:

1-13 Sec. 183.003. RATE OF INTEREST. [~~(a)~~] The commission each  
1-14 December 1, or the next regular workday if December 1 is a Saturday,  
1-15 Sunday, or legal holiday, shall set the annual interest rate for the  
1-16 next calendar year on deposits governed by this chapter at [~~-~~

1-17 [~~(b) The commission may not set the rate at an amount that  
1-18 exceeds the lesser of:~~

1-19 [~~(1) 85 percent of~~] the average rate paid over the  
1-20 previous 12-month period on United States treasury bills with a  
1-21 26-week [~~12-month~~] maturity [~~date, or~~

1-22 [~~(2) 12 percent~~].

1-23 [~~(c) The commission may not set the rate at an amount that is  
1-24 less than six percent.~~]

1-25 SECTION 2. This Act takes effect September 1, 2005.

1-26 \* \* \* \* \*