

AN ACT

relating to judgment interest.

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

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

(c) The postjudgment interest rate is:

(1) the prime rate as published by the Board of Governors of the Federal Reserve System [~~Bank of New York~~] on the date of computation;

(2) five percent a year if the prime rate as published by the Board of Governors of the Federal Reserve System [~~Bank of New York~~] described by Subdivision (1) is less than five percent; or

(3) 15 percent a year if the prime rate as published by the Board of Governors of the Federal Reserve System [~~Bank of New York~~] described by Subdivision (1) is more than 15 percent.

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

S.B. No. 1450

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1450 passed the Senate on May 5, 2005, by the following vote: Yeas 29, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1450 passed the House on May 25, 2005, by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor