

By: Averitt

S.B. No. 1450

A BILL TO BE ENTITLED

AN ACT

relating to judgment interest.

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 postjudgment interest rate is:

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

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