

1-1 By: Averitt S.B. No. 1450  
1-2 (In the Senate - Filed March 10, 2005; March 21, 2005, read  
1-3 first time and referred to Committee on Jurisprudence;  
1-4 April 28, 2005, reported favorably by the following vote: Yeas 4,  
1-5 Nays 0; April 28, 2005, sent to printer.)

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

1-8 relating to judgment interest.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Subsection (c), Section 304.003, Finance Code,  
1-11 is amended to read as follows:

1-12 (c) The postjudgment interest rate is:

1-13 (1) the prime rate as published by the Board of  
1-14 Governors of the Federal Reserve System [~~Bank of New York~~] on the  
1-15 date of computation;

1-16 (2) five percent a year if the prime rate as published  
1-17 by the Board of Governors of the Federal Reserve System [~~Bank of New~~  
1-18 ~~York~~] described by Subdivision (1) is less than five percent; or

1-19 (3) 15 percent a year if the prime rate as published by  
1-20 the Board of Governors of the Federal Reserve System [~~Bank of New~~  
1-21 ~~York~~] described by Subdivision (1) is more than 15 percent.

1-22 SECTION 2. This Act takes effect September 1, 2005.

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