STATE OF NEW YORK

7946--B

IN SENATE

March 4, 2020

Introduced by Sen. THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the civil practice law and rules, in relation to the rate of interest charged on money judgments arising out of consumer debt

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 5004 of the civil practice law and rules, as amended by chapter 258 of the laws of 1981, is amended to read as follows:

§ 5004. Rate of interest. Interest shall be at the rate of nine per centum per annum, except where otherwise provided by statute**; provided the annual rate of interest to be paid on a judgment or accrued claim in an action arising out of a consumer debt where a purchaser, borrower or debtor is a defendant shall be calculated at the one-year United States treasury bill rate. For the purposes of this section, the "one-year United States treasury bill rate" means the weekly average one-year constant maturity treasury yield, as published by the board of governors of the federal reserve system, for the calendar week preceding the date of the entry of the judgment awarding damages. The weekly rate of interest shall be calculated by the office of court administration and published for permanent public access on such office's website on the last business day of each week. In no event shall the rate of interest exceed three per centum per annum. For the purposes of this section, "consumer debt" means any obligation or alleged obligation of any natural person to pay money arising out of a transaction in which the money, property, insurance or services which are the subject of the transaction are primarily for personal, family or household purposes, whether or not such obligation has been reduced to judgment, including, but not limited to, a consumer credit transaction, as defined in subdivision (f) of section one hundred five of this chapter**.

§ 2. This act shall take effect immediately.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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