

**HB 2733 STAFF MEASURE SUMMARY**

**House Committee On Judiciary**

---

**Prepared By:** Josh Nasbe, Counsel

**Meeting Dates:** 3/2

---

**WHAT THE MEASURE DOES:**

Establishes default legal rate of interest at greater of one percent or published weekly average one-year constant maturity Treasury yield. Compounds interest annually on January 1.

*REVENUE: May have revenue impact, but no statement yet issued*

*FISCAL: May have fiscal impact, but no statement yet issued*

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Under Oregon law, the default legal rate of interest is simple interest at a nine percent annual rate. This rate may be applied to certain criminal and civil judgment awards, including contractual awards in which the parties have not specified an interest rate. Federal law imposes interest in a manner similar to that provided in House Bill 2733, utilizing the weekly average one-year constant maturity Treasury yield in certain instances. See, e.g. 18 U.S.C. 3612(f); 28 U.S.C. 1961.