

HOUSE BILL NO. 82

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES ROKEBERG, Dyson, Halcro

Introduced: 2/5/99

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to immunity for certain claims arising out of or in connection
2 with the year 2000 date change; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** FINDINGS AND INTENT. (a) The legislature finds that

5 (1) for decades, business computer programmers around the world generally
6 saved expensive data storage space and data entry time by storing the year as two digits
7 instead of four; for example, 1900 would likely have been entered as 00;

8 (2) as a result of the storing practice, many mainframe and personal computers,
9 software of all kinds, and other equipment that has a microprocessor interpret "00" as the year
10 1900 rather than the year 2000, and many of these systems may fail or cause errors for years
11 after 1999;

12 (3) the year 2000 date change creates an unparalleled challenge to private
13 sector operations, and its effect is imminent, affecting some electronic computing devices well
14 before December 31, 1999;

1 (4) exhaustive preventative efforts are presently underway to identify, test, and
 2 develop contingency plans for private sector operations, prioritizing first for mission-critical
 3 systems, to provide uninterrupted services;

4 (5) even with the best efforts using the resources available to the private sector
 5 and with due diligence, the magnitude and the depth of systems affected by the year 2000 date
 6 change throughout the private sector likely make it impossible to foresee and prevent all
 7 failures due to the date change;

8 (6) extensive civil actions based on year 2000 date change failures are
 9 anticipated in many areas of general commerce and industry; and

10 (7) it is in the public interest that the private sector apply its resources to
 11 remediation efforts related to this important year 2000 date change rather than to the costs of
 12 litigation.

13 (b) It is the intent of this Act

14 (1) to recognize that it is a complex and difficult challenge to prepare private
 15 sector electronic devices for the year 2000;

16 (2) to acknowledge that due diligence by the private sector is being used to
 17 provide uninterrupted public services to the people of Alaska; and

18 (3) to appreciate that even the due diligence described in (2) of this subsection
 19 may not suffice to prevent system failures.

20 * **Sec. 2.** AS 09.65 is amended by adding a new section to read:

21 **Sec. 09.65.260. Immunity for claims against persons engaged in business**
 22 **arising out of or in connection with the year 2000 date change.** (a) Except as
 23 provided in (b) of this section, a civil action may not be brought against a person
 24 engaged in a business for damages caused directly or indirectly by a failure, in
 25 connection with the year 2000 date change, of an electronic computing device used in
 26 the business.

27 (b) The immunity described in (a) of this section does not apply to a business
 28 that has 11 or more employees if the person bringing the civil action shows by a
 29 preponderance of the evidence that the business failed to use due diligence or good
 30 faith efforts to avoid the damages claimed in the civil action. In this subsection,
 31 "employees" means persons employed in each of 20 or more calendar weeks in the

1 calendar year in which the act alleged to have caused the damages occurred.

2 (c) In this section,

3 (1) "business" means a for profit or a nonprofit entity engaged in a
4 trade, service, profession, or activity with the goal of receiving a financial benefit in
5 exchange for the provision of services, goods, or other property;

6 (2) "electronic computing device" includes any computer hardware or
7 software, a computer chip, an embedded chip, process control equipment, or other
8 information system that is used to capture, store, manipulate, or process data;

9 (3) "year 2000 date change" includes processing date or time data from,
10 into, and between the Twentieth and Twenty-First Centuries, and leap-year
11 calculations; in this paragraph, "processing" includes calculating, comparing,
12 sequencing, displaying, and storing.

13 * **Sec. 3.** AS 09.65.260 is repealed January 1, 2006.

14 * **Sec. 4.** APPLICABILITY. This Act applies to a cause of action arising from any failure
15 described in AS 09.65.260, enacted by sec. 2 of this Act, that accrues on or after the effective
16 date of this Act but before January 1, 2006.

17 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).