

**HB**

**57**

AMENDMENT #8

In the House

TO: CSHB57(JUD)

by Green

Page 3, Line <sup>9</sup>8, following "others"

1. Insert: "The immunity provided in this section applies unless the affected
2. party shows by clear and convincing evidence that the state did not use
3. good faith efforts to avoid the failure that caused the damages claimed in
4. the civil action. As used in this section, the state establishes its good
5. faith efforts as a matter of law if it has made efforts to identify, test, and
6. develop contingency plans for critical systems."

Page 4, Line <sup>29</sup>~~28~~, following "<sup>law</sup>municipality" *delete remaining sentence  
three line 21, page 5*

1. Insert: "The immunity provided in this section applies unless the affected
2. party shows by clear and convincing evidence that the municipality did
3. not use good faith efforts to avoid the failure that caused the damages
4. claimed in the civil action. As used in this section, the municipality
5. establishes its good faith efforts as a matter of law if it has made efforts
6. to identify, test, and develop contingency plans for critical systems."

4/7

A M E N D M E N T

#6

OFFERED IN THE HOUSE

BY REPRESENTATIVE ROKEBERG

TO: CSHB 57(JUD), Draft Version "D"

*adopted*

- 1 Page 3, lines 8 - 10:
- 2 Delete "The immunity described in this subsection applies only if the affected party
- 3 shows by clear and convincing evidence that the state did not use good faith efforts to avoid
- 4 the failure that caused the damages in the civil action."

4/7

AMENDMENT # 7

OFFERED IN THE HOUSE BY REPRESENTATIVE ROKEBERG  
TO: CSHB 57(JUD), Draft Version "D"

1 Page 1, line 3, following "change;":  
2 Insert "amending Rule 23, Alaska Rules of Civil Procedure;" ✓

3 Page 3, following line 10:  
4 Insert a new subsection to read:  
5 "(b) A civil action brought against the state, or against an agent, officer, or  
6 employee of the state, for damages arising from the year 2000 date change and not  
7 precluded by (a) of this section may not be brought as a class action unless each  
8 member of the class has a claim for economic loss that exceeds \$50,000."  
*delete*

9 Reletter the following subsections accordingly.

10 Page 5, following line 16:  
11 Insert a new bill section to read:  
12 "\* Sec. 5. AS 09.65.070 is amended by adding a new subsection to read:  
13 (f) A civil action brought against a municipality, or against an agent, officer,  
14 or employee of a municipality, for damages arising from the year 2000 date change  
15 and not precluded by (d)(7) of this section may not be brought as a class action unless  
16 each member of the class has a claim for economic loss that exceeds \$50,000."

17 Renumber the following bill sections accordingly.

18 Page 5, lines 17 - 18:  
19 Delete "09.65.070(e)(4) and 09.65.070(e)(5)"  
20 Insert "09.65.070(e)(4), 09.65.070(e)(5), and 09.65.070(f)"

1 Page 5, following line 18:

2 Insert a new bill section to read:

3 "\* Sec. 7. AS 09.65.255(b), enacted by sec. 2 of this Act, and AS 09.65.070(f), enacted  
4 by sec. 5 of this Act, have the effect of amending Rule 23, Alaska Rules of Civil Procedure,  
5 by requiring, in certain class actions relating to the year 2000 date change, that each member  
6 of the class have a claim for economic loss that exceeds \$50,000."

7 Renumber the following bill sections accordingly.

4/7

Amendment ~~###~~ #8

OFFERED IN THE HOUSE

BY REPRESENTATIVE CROFT

TO: CS FOR HB 57 (JUD)

1. Page 3, line 8, delete "The immunity described in this subsection applies only if the"
2. Page 3, line 8, insert "The immunity described in this subsection does not apply if the"
3. Page 3, line 24 after "committee," insert "regional educational attendance area, city or borough school district,"

1-GH1005\G  
Ford✓  
4/8/99

4/9

Kott  
4/8/99

**CS FOR HOUSE BILL NO. 57(JUD)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIRST LEGISLATURE - FIRST SESSION**

**BY THE HOUSE JUDICIARY COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to immunity for certain claims against the state or a  
2 municipality, or agents, officers, or employees of either, arising out of or in  
3 connection with the year 2000 date change; and providing for an effective date."

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

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

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

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

13 (3) the year 2000 date change creates an unparalleled challenge to state and  
14 municipal government operations, and its effect is imminent, affecting some electronic

1 computing devices well before December 31, 1999;

2 (4) exhaustive state preventative efforts in accordance with the governor's  
3 directives are presently underway to identify, test, and develop contingency plans for state  
4 government operations, prioritizing first for mission-critical systems, to provide uninterrupted  
5 public services;

6 (5) even with the best efforts using the appropriations and personnel resources  
7 available to state and municipal governments and with due diligence, the magnitude and the  
8 depth of systems affected by the year 2000 date change throughout state and local government  
9 operations likely make it impossible to foresee and prevent all failures due to the date change;

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

12 (7) it is in the public interest that the state apply its limited resources to  
13 remediation efforts related to this important year 2000 date change rather than to the costs of  
14 litigation.

15 (b) It is the intent of this Act

16 (1) to recognize that it is a complex and difficult challenge to prepare state and  
17 municipal government agency-owned, operated, and inspected electronic devices for the year  
18 2000;

19 (2) to acknowledge that due diligence by state and municipal government is  
20 being used to provide uninterrupted public services to the people of Alaska;

21 (3) to appreciate that even the due diligence described in (2) of this subsection  
22 may not suffice to prevent system failures of those public services;

23 (4) to ensure that a person's right to receive mandated services or entitlements  
24 authorized under state law or municipal ordinance is not interpreted to be interfered with by  
25 this Act; and

26 (5) not to prevent a person from seeking recourse through existing  
27 administrative procedure provided by state law or municipal ordinance to obtain services or  
28 entitlements even though this Act precludes the award of compensation for consequences of  
29 a failure described in this Act.

30 \* Sec. 2. AS 09.50 is amended by adding a new section to read:

31 **Sec. 09.50.255. Immunity for claims against the state arising out of or in**

1 connection with the year 2000 date change. (a) Notwithstanding any contrary  
2 provisions of AS 09.50.250, an action in connection with the year 2000 date change  
3 may not be brought against the state, or against an agent, officer, or employee of the  
4 state for an act or omission occurring in the scope of that person's employment or  
5 work for the state,

6 (1) for damages caused directly or indirectly by a failure of an  
7 electronic computing device owned, controlled, or operated by the state; or

8 (2) arising out of an inspection or review of an electronic computing  
9 device owned, controlled, or operated by others.

10 (b) This section does not affect immunity provided to the state under another  
11 provision of law.

12 (c) In this section,

13 (1) "electronic computing device" includes computer hardware or  
14 software, a computer chip, an embedded chip, process control equipment, or other  
15 information system that is used to capture, store, manipulate, or process data, or that  
16 controls, monitors, or assists in the operation of a physical apparatus that is not  
17 primarily used as a computer but that relies on automation or digital technology to  
18 function;

19 (2) "physical apparatus that is not primarily used as a computer"  
20 includes a vehicle, a vessel, a building, a structure, a facility, an elevator, medical  
21 equipment, a traffic signal, machinery, access controls, and similar types of items;

22 (3) "state" includes a department, institution, board, commission,  
23 division, authority, public corporation, council, committee, or other instrumentality of  
24 the state, including the University of Alaska;

25 (4) "year 2000 date change" includes processing date or time data from,  
26 into, and between calendar year 1999 and calendar year 2000, and leap-year  
27 calculations; in this paragraph, "processing" includes calculating, comparing,  
28 sequencing, displaying, and storing.

29 \* Sec. 3. AS 09.65.070(d) is amended to read:

30 (d) An action for damages may not be brought against a municipality or any  
31 of its agents, officers, or employees if the claim

1 (1) is based on a failure of the municipality, or its agents, officers, or  
2 employees, when the municipality is neither owner nor lessee of the property involved,

3 (A) to inspect property for a violation of any statute, regulation,  
4 or ordinance, or a hazard to health or safety;

5 (B) to discover a violation of any statute, regulation, or  
6 ordinance, or a hazard to health or safety if an inspection of property is made;  
7 or

8 (C) to abate a violation of any statute, regulation, or ordinance,  
9 or a hazard to health or safety discovered on property inspected;

10 (2) is based on [UPON] the exercise or performance or the failure to  
11 exercise or perform a discretionary function or duty by a municipality, or its agents,  
12 officers, or employees, whether or not the discretion involved is abused;

13 (3) is based on [UPON] the grant, issuance, refusal, suspension, delay,  
14 or denial of a license, permit, appeal, approval, exception, variance, or other  
15 entitlement, or a rezoning;

16 (4) is based on the exercise or performance during the course of  
17 gratuitous extension of municipal services on an extraterritorial basis;

18 (5) is based on [UPON] the exercise or performance of a duty or  
19 function upon the request of, or by the terms of an agreement or contract with, the  
20 state to meet emergency public safety requirements; [OR]

21 (6) is based on the exercise or performance of a duty in connection  
22 with an enhanced 911 emergency system and is not based on an intentional act of  
23 misconduct or on an act of gross negligence; or

24 (7) is caused directly or indirectly by a failure, in connection with  
25 the year 2000 date change, of an electronic computing device owned, controlled,  
26 or operated by the municipality, or by an agent, officer, or employee of the  
27 municipality and occurring in the scope of that person's employment or work for  
28 the municipality; this paragraph does not affect immunity provided to a  
29 municipality under another provision of law; the immunity described in this  
30 paragraph applies only if the municipality shows by a preponderance of the  
31 evidence that

1                   (A) the municipality made substantial efforts to avoid the  
2                   damages claimed in the civil action, such as

3                   (i) inventorying the electronic computing devices used  
4                   by the municipality that may experience year 2000 date change  
5                   failures;

6                   (ii) identifying critical electronic computing devices  
7                   necessary to conduct the operations of the municipality;

8                   (iii) identifying the potential for year 2000 date  
9                   change failures associated with electronic computing devices used  
10                  by the municipality;

11                  (iv) preparing a plan to reprogram, fix, repair,  
12                  replace, or otherwise remedy the electronic computing devices  
13                  necessary to avert failure resulting from the year 2000 date change;

14                  (v) complying with generally accepted practices  
15                  related to testing information systems for compliance with the year  
16                  2000 date change; and

17                  (vi) developing contingency plans in the event of an  
18                  electronic computing device failure; or

19                  (B) the municipality used reasonable care to prevent or  
20                  remedy damages arising from the year 2000 date change and caused  
21                  directly or indirectly by a failure of an electronic computing device.

22 \* Sec. 4. AS 09.65.070(e) is amended by adding new paragraphs to read:

23                  (3) "electronic computing device" includes computer hardware or  
24                  software, a computer chip, an embedded chip, process control equipment, or other  
25                  information system that is used to capture, store, manipulate, or process data, or that  
26                  controls, monitors, or assists in the operation of a physical apparatus that is not  
27                  primarily used as a computer but that relies on automation or digital technology to  
28                  function;

29                  (4) "physical apparatus that is not primarily used as a computer"  
30                  includes a vehicle, a vessel, a building, a structure, a facility, an elevator, medical  
31                  equipment, a traffic signal, machinery, access controls, and similar types of items;

1 (5) "year 2000 date change" includes processing date or time data from,  
2 into, and between calendar year 1999 and calendar year 2000, and leap year  
3 calculations; in this paragraph, "processing" includes calculating, comparing,  
4 sequencing, displaying, and storing.

5 \* Sec. 5. AS 09.50.255; AS 09.65.070(d)(7), 09.65.070(e)(3), 09.65.070(e)(4), and  
6 09.65.070(e)(5) are repealed January 1, 2006.

7 \* Sec. 6. APPLICABILITY. This Act applies to all actions for damages arising from any  
8 failure described in AS 09.50.255, enacted by sec. 2 of this Act, or AS 09.65.070(d)(7),  
9 enacted by sec. 3 of this Act, in connection with the year 2000 date change occurring on or  
10 after the effective date of this Act but before January 1, 2006.

11 \* Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101


130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

## MEMORANDUM

April 9, 1999

**SUBJECT:** Civil immunity - (CSHB 57(JUD))

**TO:** Representative Pete Kott  
Attn: Cory Winchell

**FROM:** Michael F. Ford   
Legislative Counsel

You have asked if a regional educational attendance area would fall under the definition of "state" in CSHB 57(JUD). I believe that it would. For purposes of CSHB 57(JUD), "state" includes an instrumentality of the state. An R.E.A.A. is an instrumentality of the state. Although there are municipal school districts, an R.E.A.A. is not a municipality. See AS 01.10.060.

Please contact me if you have further questions.

MFF:glc  
99-175.glc

AMENDMENT #3

OFFERED IN THE HOUSE  
TO: HB 57

BY REPRESENTATIVE CROFT

1 Page 3, line 9, following "others.":

2 Insert "The immunity described in this subsection does not apply unless the state  
3 shows ~~(by a preponderance of the evidence)~~ that the state used good faith efforts to avoid the  
4 failure that caused the damages claimed in the civil action."

5 Page 4, line 23, following "municipality":

6 Insert "the immunity described in this paragraph does not apply unless the  
7 municipality shows ~~(by a preponderance of the evidence)~~ that ~~the municipality~~ used good  
8 faith efforts to avoid the failure that caused the damages claimed in the civil action"

#4, w amend.

3/17

THE IMMUNITY DESCRIBED IN THIS SUBSECTION  
APPLIES ONLY IF THE AFFECTED PARTY  
SHOWS THAT THE [STATE] DID NOT USE  
GOOD FAITH EFFORTS TO AVOID THE  
FAILURE THAT CAUSED THE DAMAGES  
CLAIMED IN THE CIVIL ACTION.

AMENDMENT #5

3/17

OFFERED IN THE HOUSE

BY REPRESENTATIVE CROFT

TO: HB 57

- 1 Page 2, line 29:
- 2 Delete "consequences"
- 3 Insert "damage to property as a result"
  
- 4 Page 3, line 1, following "for":
- 5 Insert "property damage"
  
- 6 Page 3, line 3, following "action":
- 7 Insert "for property damage"
  
- 8 Page 3, line 5:
- 9 Delete "damages"
- 10 Insert "damage to property"
  
- 11 Page 4, line 19, following "is":
- 12 Insert "an action for property damage that is"
  
- 13 Page 5, line 9, following "for":
- 14 Delete "damages"
- 15 Insert "damage to property"

*Failed*

*adopted, as amended  
3/17*

AMENDMENT #2, as amended

OFFERED IN THE HOUSE

BY REP. ROKEBERG

TO: HB 57

Page 3:

Delete lines 11-16

*delete*

Insert: (1) "electronic computing device" includes any computer hardware or software, a computer chip, an embedded chip, process control equipment, or other information system that is used to capture, store, manipulate, or process data;

Page 3:

Delete lines 20-23

Insert: (3) "year 2000 date change" includes processing date or time data from, into and between calendar year 1999 and calendar year 2000, and leap year calculations; in this paragraph, "processing" includes calculating, comparing, sequencing, displaying and storing.

*OK*

3/17

AMENDMENT #3

OFFERED IN THE HOUSE

BY REPRESENTATIVE CROFT

TO: HB 57

*w/ draw*

1 Page 3, line 9, following "others.":

2 Insert "The immunity described in this subsection does not apply unless the state  
3 shows ~~by a preponderance of the evidence~~ that the state used good faith efforts to avoid the  
4 failure that caused the damages claimed in the civil action."

5 Page 4, line 23, following "municipality":

6 Insert "the immunity described in this paragraph does not apply unless the  
7 municipality shows ~~by a preponderance of the evidence~~ that the municipality used good  
8 faith efforts to avoid the failure that caused the damages claimed in the civil action"

3/17

AMENDMENT # 4

OFFERED IN THE HOUSE

BY REPRESENTATIVE CROFT

TO: HB 57

*w/ drawn*

1 Page 3, following line 9:

2 Insert a new subsection to read:

3 "(b) This section does not preclude liability for civil damages as a result of  
4 gross negligence or reckless or intentional misconduct."

5 Reletter the following subsection accordingly.

6 Page 4, line 23, following "municipality":

7 Insert "; this paragraph does not preclude liability for civil damages as a result  
8 of gross negligence or reckless or intentional misconduct"

*u*

*7*

3/17

AMENDMENT # ~~88~~

OFFERED IN THE HOUSE  
TO: HB 57

BY REPRESENTATIVE CROFT

*Not offered  
Nothing  
done w/*

- 1 Page 1, lines 1 - 2:
- 2 Delete "a municipality,"
  
- 3 Page 1, line 2:
- 4 Delete "either"
- 5 Insert "the state"
  
- 6 Page 1, lines 13 - 14:
- 7 Delete "and municipal"
  
- 8 Page 2, line 7:
- 9 Delete "and municipal governments"
- 10 Insert "government"
  
- 11 Page 2, line 8:
- 12 Delete "and local"
  
- 13 Page 2, lines 17 - 18:
- 14 Delete "and municipal"
  
- 15 Page 2, line 20:
- 16 Delete "and municipal governments"
- 17 Insert "government"
  
- 18 Page 2, line 25:

1 Delete "or municipal ordinances"

2 Page 2, line 28:

3 Delete "and municipal ordinance"

4 Insert "law"

5 Page 3, line 24, through page 5, line 6:

6 Delete all material.

7 Renumber the following bill sections accordingly.

8 Page 5, line 7:

9 Delete "; AS 09.65.070(d)(7), and 09.65.070(e)(3) and (4) are"

10 Insert "is"

11 Page 5, line 10:

12 Delete "or AS 09.65.070(d)(7)"

AMENDMENT

OFFERED IN \_\_\_\_\_

BY                     

To: HB 57

Page 3, following line 9:

Insert a new subsection to read:

"(b) The immunity provided within this sections shall not apply

(1) for a state owned or operated health care facility if the failure was the substantial cause of death or bodily injury; or

(2) if it can be shown by clear and convincing evidence that the intentional misconduct of any agent, officer or employee of the state was the substantial cause of the failure."

*w/ drawn*

Reletter the following subsection accordingly

Page 4, line 23, following "municipality":

Insert "; this paragraph shall not apply

(1) for a municipality owned or operated health care facility if the failure was the substantial cause of death or bodily injury; or

(2) if it can be shown by clear and convincing evidence that the intentional misconduct of any agent, officer or employee of the municipality was the substantial cause of the failure."

3/15

AMENDMENT #1

*adopted*

OFFERED IN \_\_\_\_\_

BY \_\_\_\_\_

TO: HB 57

1 Page 3, following line 19:

2 Insert a new paragraph to read:

3 "(3) "state" includes a department, institution, board, commission,  
4 division, authority, public corporation, council, committee, or other instrumentality of the  
5 state including the University of Alaska;"

6 Page 3, line 20:

7 Delete "(3)"

8 Insert "(4)"



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907)586-1325, Fax (907)-463-5480

March 15, 1999

Representative Pete Kott, Chair  
House Judiciary Committee  
State Capitol  
Juneau, AK 99811

RE: HB57 - Immunity for claims against the state or municipality arising out of connection with the Year 2000 date change

Dear Representative Kott:

On behalf of the Alaska Municipal League and Alaska Conference of Mayors, we are writing in support of HB 57. Our position is outlined in the 1999 Municipal Policy Statement as follows:

**Utilities and Environment, Section E. 2. Year 2000 (Y2K) Computer Failures:** The League urges the state to support and coordinate efforts to fix potential Y2K computer failures in the state and its political subdivisions through technical assistance, coordination of planning and resources, and direct assistance and funding. The League also supports the adoption of legislation to hold the state and its political subdivisions harmless from any liability for service interruptions or problems arising from Y2K problems.

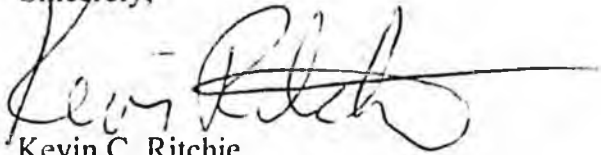
The Alaska Municipal League has been working hard to alert municipalities to the potential problems associated with the Year 2000 computer changes. Last year, we urged municipalities to establish Y2K Task Force to coordinate actions that would avoid negative impacts on communities. We have published numerous articles on the issue in our newsletter, held training sessions at the annual conference in Fairbanks, and established links on the AML homepage to provide additional information. Attached is a copy of the article from our February newsletter.

The National League of Cities, which is a nationwide organization of cities, set up a program for municipalities called "Y2K & You," which includes a video on the issues and an outline of a plan to walk cities through the necessary steps to avoid problems. This package was made available to all Alaskan municipalities.

However, the threat of liability on unforeseen problems looms large over the state and municipalities. We believe the people of the state would prefer that limited resources be used to continue efforts to fix the problems rather than use local tax dollars for litigation.

Obviously, passage of this bill this session is critical to all of us, and we appreciate your favorable consideration of HB 57.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kevin Ritchie", with a long horizontal flourish extending to the right.

Kevin C. Ritchie  
Executive Director

Enclosure

cc: House Judiciary Committee

# Y2K

## The Problem

The Year 2000 problem (or Y2K for short), started when early computer programmers sought to save memory space when abbreviating the date by using just two digits instead of four to represent the year. Unfortunately, they did not then realize that this cost saving measure would carry through to cause confusion between the centuries for systems run by computer chips.

This "crisis" has the potential to knock out electric service, stop traffic, impair public health, ground planes, and silence telephones and radios. Automated office systems and functions such as billing, record keeping, tax collection, public records management, facilities management, and public utilities service provision must be painstakingly examined to correct codes and programs.

For some places, much of the necessary work to assure compliance may be accomplished by researching manufacture's sites on the Internet for Y2K certification, possibly downloading software "patches" to fix a specific application and/or running Y2K compliant testing programs available free from the net. However, larger cities may need to hire a consulting firm to analyze their systems along with programmers to rewrite the code on older programs specifically designed for your municipality. Your staff needs to contact the manufacturers; decide whether to correct or replace problematic technology; make other appropriate adjustments; and test the system in time to make further adjustments, and then pay for it.

# Doing the Fix ...and avoiding liability

## *A Guide for Municipalities*

by Kevin J. Best, Manager, Research & Information Management

## It's not just a computer problem

The Y2K problem also may affect fax machines, telephone systems, answering machines, police emergency equipment, and anything else that has an electronic chip. Check with the manufacturer of all your systems or contact a consultant who may have a comprehensive database of Y2K compliant software and hardware. Your municipality should purchase no electronic equipment or service unless it is certified, in writing, by the manufacturer as being Y2K compliant.

Also check with contractors and vendors that do business with your town including banks, legal firms, appraisal companies, landfills maintenance companies, etc. Letters should be sent to each company inquiring about its ability to deliver your billing, analysis or other support services in light of the Y2K problem.

## Approaches

An effective approach for addressing the Y2K problem will include four basic elements:

- ❖ Inventory
- ❖ Remediation
- ❖ Testing
- ❖ Contingency Planning

### Inventory:

The first step toward Y2K compliance is to prepare a comprehensive inventory of the city's *critical* business functions. Critical functions should include all key operations. Next identify the systems (e.g., personal computers, spreadsheets, copiers and telephones) that support these functions. Systems should also include other automated items used to support your business activities.

The inventory should identify and catalog:

- ❖ All databases
- ❖ Internal and external data sharing
- ❖ Vendor hardware (including supplier, make and model)
- ❖ Software (including supplier, version and release)
- ❖ Environmental controls (power, heating, ventilation, etc.)
- ❖ Communications devices (telephone, data switches, etc.)
- ❖ Financial systems (banking, insurance, credit bureaus, etc.)

### Embedded Chips Another Challenge:

These special purpose chips control the operation of numerous systems that we often take for granted. Industry experts predict that of the 25 billion chips in electronic components, only about two percent will fail, but there's no way to be certain of which two percent. Finding and testing embedded chips is tricky because they operate inside other pieces of equipment and are difficult to

(continued on page 9)

locate and access. For many embedded chips, no correction is possible since the chips were designed as unique, single-purpose systems. In such cases, your alternatives are to contact the vendor or replace the embedded system.

To identify devices with embedded chip problems, answer these four questions for stand-alone (non-computer) electronic devices:

1. Does it operate with electricity or battery?
2. Does it have a display?
3. Does it have a microprocessor?
4. Does it use a calendar to schedule events?

If you were able to answer *no* to every question, the device may be at low risk for embedded chip problems, but the chips within may still use date functions, even if the device itself is not dependent on the date for proper operation. For example, a piece of equipment may be usable whenever you turn it on without regard to date or time, but may still have micro-processors that will not allow its operation unless required maintenance had been performed. If that microprocessor thinks it has been 99 years since the last required maintenance, you may experience problems. That means you still have to do the research. If you answer *yes* to any of these questions, especially to question 4, put the device at high risk for problems.

#### Remediation:

The next step is to decide what systems in your inventory are not Y2K compliant and need to be fixed or can be replaced. If the problem is best approached by fixing the system, your technician may use different techniques including fully converting all date formats in the system to



a four digit year, or making changes to the program code so that the system will make adjustments for problem dates or compressing date fields to accommodate for the long date format.

#### Personal Computer Fixes:

Stand-alone PC's especially those manufactured after 1997, should have less to worry about than large mainframe computers which run older programming languages (COBOL, FORTRAN) or with software written specifically for the user's needs, (e.g., financial management packages). For PC user, it's possible that you will have no problems at all, or that problems you have will be in "so what" category. Your computer will probably start, load and function as usual. If anything, you may just need to reset the date. But remember, your computer will still operate, even *with an incorrect* date. If you use your computer for any accounting or date functions, you should look at it very closely. Macintosh computers don't have a Y2K problem, because they store the date in the long, four-digit format.

#### Testing - Will the System Work?

As with any significant effort, testing is critical to ensure that your remediation efforts will work as anticipated. Testing can be time consuming and may be expensive. Simulated tests may be conducted

(continued on page 10)

The following is a short list of examples of systems with embedded chips that should be tested or certified:

- ✓ Air conditioning systems
- ✓ Answering machines
- ✓ Automatic doors
- ✓ Automatic flush plumbing
- ✓ Cable systems
- ✓ Cameras-still and video
- ✓ Cash registers
- ✓ Check protectors
- ✓ Clocks
- ✓ Vaults/safes on automatic timer
- ✓ Water pumps & valves

#### COMMUNICATIONS:

- ✓ Telephones and switches
- ✓ Cellular phones
- ✓ Pagers
- ✓ Phone cards
- ✓ Modems
- ✓ Data switching equipment
- ✓ Date/time machines
- ✓ Door locks
- ✓ Electric appliances
- ✓ Electricity meters
- ✓ Elevators and escalators
- ✓ Environmental monitoring equipment
- ✓ Fax machines
- ✓ Fire alarms
- ✓ Flow control devices
- ✓ Gas meters
- ✓ Gas pumps
- ✓ Hot water heaters
- ✓ Lawn sprinklers on automatic timer
- ✓ Lighting on automatic timer
- ✓ Mail machines-base or meter
- ✓ Metal detectors
- ✓ Parking meters
- ✓ Photocopiers
- ✓ Power grid systems
- ✓ Power stations
- ✓ Radar systems
- ✓ Radar systems
- ✓ Radio equipment
- ✓ Security systems
- ✓ Test and diagnostic equipment
- ✓ Ticketing systems
- ✓ Traffic light controllers

#### TRANSPORTATION:

- ✓ Automobiles
- ✓ Airplanes
- ✓ Buses
- ✓ Boats

using the following critical dates: December 31, 1999; January 1, 2000; February 29, 2000 (leap day); and since the calendar repeats itself in cycles, a comparison of 20<sup>th</sup> century baseline date from dates separated by a 28 year period.

## Interfaces

Probably the most frequently ignored aspect of testing is interfaces with external organizations, agencies or vendors. These critical data exchanges need to be tested thoroughly, going both ways and "end-to-end." For example, for government entities, end-to-end testing should be done by testing successful data transfer beginning from the city, then to the county, the state, and the federal government, and back down the path to the city again.

## Contingency Planning

The next step to being adequately prepared for the Year 2000 is to develop contingency plans that address potential failures. Based on the inventory of your city's systems and equipment, identify the most likely types of failures for each. For example, you may consider whether a failure could lead to:

- ❖ Loss of electrical power
- ❖ Loss of environmental controls
- ❖ Breaches of security
- ❖ System hang-up or shutdown
- ❖ Interruptions of communications
- ❖ Files corrupted or "lost"
- ❖ Degradation of system performance
- ❖ Incorrect but acceptable data errors
- ❖ Irrational data presented to users
- ❖ Unreliable/unpredictable results

## You're Legal Liability

The potential effects of the Year 2000 problem seem likely to create an environment in which legal action will thrive. Experts are predicting that if local governments are unsuccessful in achieving 100 percent compliance, they may be sued for damages by citizens,

individually or in class action suits, or by companies within their geographic boundaries.

### Negligent Liability:

From a liability standpoint, there could potentially be an onslaught of negligence claims. The concern is that in court, it will be found that a "reasonable person" would have addressed the Y2K issue and made significant attempts to correct the problem before it occurred.

Organizations trying to defend themselves against Y2K litigation must be able to demonstrate that they took *reasonable and prudent steps* to bring themselves into full compliance ("due diligence," a legal standard). Local government efforts should be documented in a written trial that addresses Y2K awareness, assessment and resolution. This record includes meeting minutes, actions, and discussions with vendors. The record should answer questions such as:

- How did your city become aware of the problem?
- What steps did you take to assess the problem's level of impact on your city's services and community?
- What steps did you take to know where your city was in the overall picture of compliance and exposure?
- What priorities did you establish, and how did you achieve them?
- Which vendors and solutions did you choose?

It is essential that the policies for dealing with Y2K be established and documented at the policymaking level (typically the city council), and that there is careful and full compliance with those policies by whomever is charged with executing them.



### Include Warranty Language in Contracts:

In new contracts, make sure that suppliers, integrators, and Y2K contractors warrant their products to be Y2K compliant. In addition to new vendor contracts cities should consider renegotiating existing contracts to include the Y2K warranty language.

Under exciting maintenance agreements, some vendors may disclaim liability for providing Y2K upgrades at no additional costs. Cities should request in writing a vendor make its software Y2K compliant at the vendor's own cost under long-term maintenance agreements. Experts speculate that failure to do so may constitute a waiver by customers of their right to later seek reimbursement for the costs incurred in making the changes themselves. An excellent resource on this subject is the National League of Cities' publication, *The Year 2000 Problem*. Call 800-784-8976 to order a copy (\$5 for NLC members, \$10 for non-members).

However, don't let the threat of lawsuits paralyze your jurisdiction. Your best defense is to establish evidence of due diligence. By equipping your municipality with knowledge and then acting to the best of your ability, you probably have created the best possible defense.

(continued on page 11)

## Immunity Legislation

Several states have passed laws to protect private business and government agencies from legal action arising from the Year 2000. In Alaska, Governor Knowles introduced SB 37/HB 57, which would grant immunity to the state and municipalities arising out of or in connection with the Year 2000 date change. Both the state and municipalities have to apply due diligence to prevent system failures of public services. These bills must work their way through the legislative process before such immunity goes into effect.

## Conclusion

Just as each municipality is unique in its service delivery, each will approach the problem differently depending on the amount, sophistication, age and design of our equipment and how prepared your staff is in preventing the problems.

For many smaller municipalities, your Y2K project will be simply checking with manufacturers for assurances that your automated systems, personal computers and the software are Y2K compliant. Regardless of size, each governing body should carefully consider how the Year 2000 problem will affect municipal operations and liability.

There is a vast amount of information available on this topic. The National League of Cities (NLC), has launched a public awareness campaign, "Y2K & You," and has developed a "tool kit" to provide local governments with a comprehensive package of resource materials to deal with Y2K. The Alaska Municipal League homepage has several links at <http://www.alaska.net/~aml/>. And finally, two particularly good sources for more specific information are the Access Local Government site's Y2K library section at <http://www.algov.org> and Public Technology, Inc. at <http://www.pti.nw.dc.us/y2k.htm>.

*Information for this article was gathered from various sources, including Public Technology, Inc. (PTI), the National League of Cities (NLC), the League of Minnesota Cities and the League of Oregon Cities.*

## Year 2000 Internal Assessment Checklist

- |  |   |  |   |
|--|---|--|---|
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality established a Y2K task force?   | <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality identified people/processes which depend on data from outside sources?  |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality conducted an employee Y2K awareness campaign?   | <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality analyzed dependencies on data provided by other organizations?  |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality defined Y2K compliance?   | <input type="checkbox"/> yes <input type="checkbox"/> no | Contacted all entities with whom it exchanges data?   |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has your municipality conducted a comprehensive inventory of its information and infrastructure systems?                                      | <input type="checkbox"/> yes <input type="checkbox"/> no | Made contingency plans if no data are received from external sources?   |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has an estimate been made of the resources -- including people, time and dollars required to fix the Y2K problem?                             | <input type="checkbox"/> yes <input type="checkbox"/> no | Made plans to determine that incoming data are valid?   |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have the costs been submitted in a formal budget request?   | <input type="checkbox"/> yes <input type="checkbox"/> no | Developed contingency plans to handle invalid data?   |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have target completion dates been established, responsibility and accountability assignments been made and reporting requirements identified? | <input type="checkbox"/> yes <input type="checkbox"/> no | Identified vulnerable "outside" systems/processes which may affect your operations and developed contingency plans for failures of these systems: |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have computer hardware and software applications been tested for compliance?  | <input type="checkbox"/> yes <input type="checkbox"/> no | telecommunications systems?   |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have the above systems been fixed (or replaced) and retested?   | <input type="checkbox"/> yes <input type="checkbox"/> no | power grids?  |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have software vendors been contacted? (Check computer company Web sites to find lists of hardware/software products that are Y2K compliant?)  | <input type="checkbox"/> yes <input type="checkbox"/> no | banking systems?  |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Have embedded systems (phone, security, elevators, water systems, etc.) been tested and vendors contacted?                                    | <input type="checkbox"/> yes <input type="checkbox"/> no | Have procedures been established for accessing and processing archived data?  |
| <input type="checkbox"/> yes <input type="checkbox"/> no | Has the impact of failure been determined and ranked for each system based on its relation to the operation of your municipality?             | <input type="checkbox"/> yes <input type="checkbox"/> no | Has the municipal attorney researched legal ramifications for your municipality?  |
|  |   | <input type="checkbox"/> yes <input type="checkbox"/> no | Developed contract language which requires Y2K compliance for all new equipment and software purchases?   |
|  |   | <input type="checkbox"/> yes <input type="checkbox"/> no | Updated or developed disaster recovery plans?   |
|  |   | <input type="checkbox"/> yes <input type="checkbox"/> no | Developed a citizen education plan to minimize public panic?  |

*As a municipal official, you are expected to look out for your community as a whole, not just the operations of local government. Many of the potential impacts of the Year 2000 computer problems may be due to failures in local or other businesses or other levels of government. A good first step is to set up a special task force to focus on this issues. AML has prepared an example of a resolution creating such a task force for your community to identify critical operations and make sure appropriate measures are being taken.*

## **DRAFT MODEL RESOLUTION**

**A Resolution Establishing the (Name of Municipality) "Y2K" Task Force  
To Ensure that Private and Public Sectors of (name of municipality) Take Immediate Coordinated  
Actions to Avoid Negative Impacts on the Local Economy and  
Public and Private Services Resulting from the Year 2000 Computer Problem**

Whereas, it is a basic governmental responsibility to ensure public safety, and the continuous delivery of both public and private services.

Whereas the Year 2000 Computer Problem, known as the "Y2K" Problem, is simply the predicted failure of some computers to recognize the difference between the year 1900 and the year 2000, causing the failure of some systems operated by computers.

Whereas, these failures may occur on or before January 1, 2000, approximately \_\_\_ days from now.

Whereas the President of the United States, the Governor of Alaska, the National Association of Counties, the National League of Cities, and others have declared the Y2K Problem as a major potential threat to our local economies, and public and private services.

Whereas, the U.S. operates on approximately 25 billion computer "chips", and experts estimate that 1% to 2% (250 to 500 million) of those computer chips will cause failure in the systems they operate.

Whereas, computer chips are found in key systems like computers, navigational equipment, electric switches and pumps, transportation equipment, environmental controls, banking and monetary systems, communications systems, health systems, etc.

Whereas, the Y2K Problem is a nationwide, state-wide, and community-wide problem because most key systems are interconnected and interdependent. This issue is greater for Alaskan communities because of a greater dependence on transportation and communications systems to ensure the continued safe operation of our communities.

Whereas, one undiscovered Y2K problem in a community, or in a non-local business or system serving a community, can cause the failure of many other systems and services. For example, the failure of one utility system, or a transportation system, in the dead of winter (i.e. January 1, 2000) can cause a public safety crises and the virtual shut down of commerce.

Whereas, the Y2K Problem is primarily an executive and management problem because the solution is dependent upon executives and local elected officials recognizing the Y2K Problem a top priority, and allocating the necessary financial and staff resources now.

Now therefore be it resolved by (name of your municipal governing body) that:

1. The (name of your municipality) **Y2K Task Force** is hereby created with the following membership: (please modify for each community):

- two members of the council/assembly;
- one member appointed by the school board;
- two business executives/owners appointed by the Chamber of Commerce;
- one utility manager or board member appointed by the council/assembly;
- one transportation manager or board member appointed by the council/assembly;
- one health service manager or board member appointed by the council/assembly;
- one state or federal agency manager appointed by the council/assembly.

2. The Y2K Task Force will be supported by the City Manager/Administrator and designated staff.

3. The charge of the Y2K Task Force is as follows:

- a. Hold public hearings and meetings to explain the Y2K Problem and **determine which local and non-local systems are key to the local economy, major public services, and public safety.** Such systems include utilities, key public safety and health systems, transportation systems, communications systems, banking systems, etc.
- b. **Contact operators and owners of key systems** to request a status report on their Y2K activities and to gain their future cooperation.
- c. Develop a monthly **community status report on Y2K testing, compliance and readiness** of key public and private services.
- d. Research information and assistance resources, and **share information.**
- e. Identify which key systems may be subject to failure and how the community would deal with such system failures as part of the **community disaster emergency response plan.**

## CONGRESSIONAL CITY CONFERENCE '99

The 1999 Congressional City Conference will be held in Washington, DC from March 5-9. Take the opportunity to meet with local officials from across the country to share ideas and work together on behalf of your constituents. Learn about Congressional and Administration priorities, help shape NLC's voice on federal issues, and share your perspectives with people who make key federal decisions.



### **ANNUAL CONGRESSIONAL CITY CONFERENCE**

**Washington Hilton Hotel and Towers  
March 5-9, 1999  
Washington, D.C.**

*For more information, write or call*  
**National League of Cities  
1999 Congressional City Conference  
1301 Pennsylvania Avenue, N.W.  
Washington, DC 20004  
(202) 626-3105**

FISCAL NOTE

Bill Version: HB 57  
 (H) Publish Date: 1/22/98

STATE OF ALASKA  
 1999 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: "An Act relating to immunity for certain claims against the state or a municipality arising out of or in connection with the year 2000 (Y2K) date change  
 Sponsor: Rules  
 Requestor: Governor

Department Affected: Administration  
 BRU: Risk Management  
 Component: Risk Management  
 COMPONENT SERIAL NO. 0071

EXPENDITURES/REVENUES: (Thousands of Dollars)  
 Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CHANGE IN REVENUES ( )</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/MHTIA						
OTHER						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 99) cost: \$ -0-

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

State agency civil liability exposure for consequential loss arising from the Y2K date change and what Risk Management might pay in future liability claims and defense costs will be reduced by this legislation.

Due to the uncertainty that future Y2K claims will even occur, the extent of such savings is not possible to forecast. The immunity provisions should preclude legal actions – thereby reducing future defense costs at the very least.

The state funds its liability coverage provided through Risk Management on a "cash flow" basis (appropriating only the amounts expected to be paid the next fiscal year) collected solely through interagency receipts (cost of risk allocations) assessed each agency. Future year liability premium assessments will reflect the cost reductions actually realized by this legislation as premiums are developed from actual claims expenses incurred.

No immediate negative fiscal impact can be shown due to outstanding unfunded liabilities.

Prepared by: J. Brad Thompson, Director  
 Division: Risk Management

Phone: 465-5723  
 Date: \_\_\_\_\_

Approved by Commissioner: Mark Bover  
 Agency: Department of Administration

Date: 10/28/98

TONY KNOWLES  
GOVERNOR

HB 57  
P.O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3531

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 20, 1999

The Honorable Brian Porter  
Speaker of the House  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-1182

*Brian*  
Dear Speaker Porter:

As part of the state's thorough efforts to prepare for the transition into a new millennium, I am transmitting this bill to protect the state and municipalities from liability claims for damages in connection with year 2000 (Y2K) computer software and processor failures.

This bill is not meant to interfere with an individual's right to receive statutorily mandated services or entitlements. In the event of an error associated with the Y2K date change, that individual will continue to have recourse through administrative procedures to rectify the error. However, as explained in the findings, the magnitude of preparations for Y2K is unprecedented in the relatively young world of computer technology. Although the state and local governments are working diligently to smoothly transition their computer systems into the year 2000, it may be expected that, despite these best efforts, some failures might occur. Under this bill, the state, municipalities, and their agents would be immune from liability for certain damages arising before the year 2006.

Meanwhile, I can assure the Legislature and the public the state of Alaska is taking extensive efforts to attempt to make our move into the twenty-first century one without interruptions in public services.

Sincerely,

*Tony Knowles*  
Tony Knowles  
Governor

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

February 17, 1999

P.O. BOX 110200  
JUNEAU, ALASKA 99811-0200  
PHONE: (907) 465-2200  
FAX: (907) 465-2135

The Honorable Pete Kott, Chair  
House Judiciary Committee  
Alaska State Legislature  
State Capitol, Room 118  
Juneau, AK 99801

Dear Chair:

I respectfully request that you schedule a hearing on HB 57 "An Act relating to immunity for certain claims against the state, a municipality, or agents, officers, or employees of either, arising out of or in connection with the year 2000 date change; and providing for an effective date" as soon as possible.

HB 57 provides that an action for damages may not be brought against the state, a municipality, or the agents, officers, or employees of either, for electronic computing device failures associated with the Y2K date change.

This bill applies to all actions for damages arising from any failure that occurs after the effective date of the bill, and before January 1, 2006. The bill is not intended to interfere with an individual's right to receive statutorily mandated services or entitlement from these entities. If an error associated with the Y2K date change is made, an individual will continue to have recourse through administrative procedures to correct the error.

Enclosed you will find a copy of a synopsis of all state jurisdictions that either have legislation pending, or have passed legislation to deal with the Y2K liability situation.

I appreciate your consideration of an early hearing on this proposed legislation. If you have any questions please contact me at 465-2200 or Brad Thompson at 465-5723.

Sincerely,



Robert Poe, Jr.  
Commissioner

RP/JH/jd

cc: Pat Pourchot, Legislative Director  
Office of the Governor

Brad Thompson, Director, Division of Risk Management  
Department of Administration

# ITAA's Year 2000 Home Page

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## Y2K State Legislation - Pending

As part of ITAA's specially-funded State Initiative Program, our partner, Stateside Associates monitors each of the 50 states with respect to Y2K Legislation. Where possible, the individual bill is hyperlinked directly to the state legislature. For further information, contact ITAA or Stateside. This table is updated frequently, however, if you know of something we are missing, please [contact us](#).

BILL/AUTHOR	SUMMARY	CURRENT STATUS
<b>ALASKA</b>		
<p><u><a href="#">H.B. 57</a></u>  <i>Rules at request of the Governor</i></p>	<p>Provides that an action may not be brought against the state or municipality, or agent officer, or employee of the state or municipality for an act or omission occurring in the scope of that person's employment or work for the state or municipality, for damages caused directly or indirectly by a failure, in connection with the Year 2000 date change, of an electronic computing device owned, controlled, or operated by others. Pertains to actions bought before January 1, 2007.</p>	<p>Introduced and referred to House Judiciary Committee January 22. Hearing February 4. Passed Community and Region Affairs Committee February 5. Sent to Judiciary Committee.</p>

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 (650) 859-3466 (fax)

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<p><u>H.B. 82</u>   <i>Representative Norman Rokeberg (R)</i></p>	<p>Provides immunity for all businesses for damages caused directly or indirectly by a computer failure in connection with the Year 2000 date change unless: (1) the business has more than 11 employees and; (2) the plaintiff shows through a preponderance of the evidence that the business failed to use due diligence or good faith efforts to avoid Year 2000 damages. Effective immediately.</p>	<p>Introduced and referred to House Labor and Commerce and Judiciary Committees February 5.</p>
<p><u>S.B. 37</u>   <i>Senate Rules Committee</i></p>	<p>Provides that an action may not be brought against the state or municipality, or agent officer, or employee of the state or municipality for an act or omission occurring in the scope of that person's employment or work for the state or municipality, for damages caused directly or indirectly by a failure, in connection with the Year 2000 date change, of an electronic computing device owned, controlled, or operated by others. Pertains to actions brought before January 1, 2007.</p>	<p>Introduced and referred to Senate Judiciary Committee January 21.</p>
<p><b>ARIZONA</b></p>		
<p><u>S.B. 1057</u>   <i>Senator John Wettaw (R)</i></p>	<p>Prohibits foreclosure, default, or taking other adverse or enforcement action against a person who fails to accurately or timely process any information, data, payment or transfer if the failure: (1) is due directly or indirectly to the failure or malfunction of a computer processor to accurately or properly recognize, compute, display, sort or process dates or times; and (2) arises out of or in connection with a Year 2000 date change.</p>	<p>Introduced January 14. Referred to Senate Financial Institutions and Retirement Committee and Rules Committee January 18.</p>

	<p>Prohibits taking adverse or enforcement action against any person or entity that fails to make a timely payment or complete other financial transactions if the failure is due, wholly or in part, to the inability of either party to make the necessary payments, fund transfers or checking or other financial transaction or to access the necessary data or information. This section does not affect transactions in which default occurred before any disruption of financial or data transfer operations arose in connection with the Year 2000 date change. This section applies to at least the following: (1) mortgages; (2) contracts; (3) landlords and tenants, (4) consumer credit obligations; (5) utilities; (6) banking and other financial transactions; (7) tangible or intangible property. Prohibits taking enforcement action before the obligor's ability to regularly receive and dispense financial transactions has been fully restored.</p>	
<p><u>S.B. 1294</u> <i>Senator Marc Spitzer (R)</i></p>	<p>Enacts an emergency measure establishing affirmative defenses against liability suits based upon a device's inability to accurately process date information and extending qualified immunity to public entities and employees for injuries related to such problems in relation to Year 2000 failures. This legislation applies to actions in which a person or governmental entity seeks damages or other relief based on a Year 2000 failure or actions that are based on an alleged failure to properly detect, disclose, prevent, report or remedy a Year 2000 failure. Allows</p>	<p>Introduced and referred to Senate Judiciary Committee February 2. Reported from Committee as amended and referred to Senate Rules Committee February 9.</p>

the following affirmative defenses against a Y2K date failure lawsuit: 1) that a defendant must notify a buyer of potential Y2K failure and unconditionally offer a free replacement, repair, upgrade, update, alternative service or instructions to be implemented to solve the Y2K problem; 2) that a defendant reasonably relied on a false or misleading Y2K statement, from any person, that what defendant passed on did not have a Y2K problem; 3) that a defendant or governmental agency conducted a reasonable examination to determine if there was a Y2K problem and that the defendant must have in good faith effected any necessary repair, upgrade or update that passed the defendant's testing procedures. This legislation applies to services as well as products, and controls if in conflict with current product liability laws. It does not apply to worker's compensation cases. Requires the plaintiff to give defendant 90 days notice of impending lawsuit with reasonable detailed description of Y2K problem giving defendant opportunity to inspect and cure the problem. Prevents discovery from being sought until 90 days has expired. This notice requirement is waived if impossible because of a statute of limitations, or if not asserted as a direct claim, but notice still must be served within 30 days of commencing action in such cases. Ramifications of insufficient notice are specified. Allows court to deduct from damages an amount equal to the value of any cure or rejected unconditional offer to cure. Establishes that the defendant has the burden of establishing the value of the cure or offered cure. Establishes that an offer to cure may not be used

	<p>against the defendant to establish liability. Prevents plaintiffs from using defendant's Y2K remedial measures to prove negligence, culpable conduct, defectiveness or unreasonable danger. However, other independent sources may be used to make any of these showings. Remedial measures include modifications, changes in quality assurance procedures and training, termination of employees, warnings, recall, creation of a Y2K avoidance plan, alternative services or any action taken to lessen the likelihood of Y2K consequences. Extends qualified immunity to public entities and employees for Y2K related injuries, without affecting entitlement claims. Contains an emergency clause.</p>	
<b><i>COLORADO</i></b>		
<p><u>H.B. 1136</u> <i>Representative Ron Tupa (D)</i></p>	<p>Extends the Governmental Immunity Act to cover all claims against a public entity for injury arising from the failure of electronic computing devices to correctly interpret, produce, calculate, generate or account for a date that is compatible with the year 2000 date change. Defines electronic computing device as "any computer hardware or software, computer chip, embedded chip, process control equipment, or other information system that is used to capture, store, manipulate or process data or controls, monitors, or assists in the operation of a physical apparatus.</p>	<p>Introduced and referred to House Judiciary Committee January 11. Failed in Committee January 27.</p>
<p><u>H.B. 1190</u></p>	<p>Limits the liability of</p>	<p>Introduced and</p>

<p><i>Representative Tambor Williams (R)</i></p>	<p>financial service providers in civil actions relating to a Year 2000 problem to actual damages. Exempts provider from punitive damages where the claim is based upon a Year 2000 problem or a computer system failure resulting from a Year 2000 problem. Declares a provider may be found liable to its customers but not to persons not in privity of contract with the provider for civil damages resulting from acts, omissions, decision or other conduct in connection with a Year 2000 problem. Establishes an affirmative defense for financial providers in any claim, action or proceeding alleging liability based upon a Year 2000 problem if the provider has complied with all regulations and requirements relating to a Year 2000 problem compliance.</p>	<p>referred to House Judiciary Committee January 13.</p>
<p><u>H.B. 1295</u> <i>Representative Tambor Williams (R)</i></p>	<p>Establishes the Year 2000 Liability Act of 1999. Applies to civil actions for damages arising from a Year 2000 failure of an electronic computing device. Defines the term "electronic computing device". Defines the term Year 2000 failure as the failure of an electronic computing device to correctly interpret, produce, calculate, compute, generate, compare, account for, process, or sequence a date that is compatible with the year 2000 date change. Limits liability in actions to actual damages. Limits liability to customers and cuts off the remedies of persons who are not in privity of contract with the defendant. Establishes an affirmative defense for any business, or any director, officer, or employee of such business, who makes reasonable efforts to identify the potential for a</p>	<p>Introduced and referred to House Business Affairs and Labor Committee January 27. Hearing scheduled for February 11.</p>

	<p>Year 2000 failure and who attempts to correct or otherwise avert such failures. Adds to the list of confidential functions of the compliance review committee of a financial institution the duty to seek to improve the ability of electronic computing devices to account for the Year 2000 date change. Establishes a one-year statute of limitations for civil actions arising out of a Year 2000 failure associated with the Year 2000 date change.</p>	
<p><u>S.B. 170</u> <i>Senator Terry Phillips (D)</i></p>	<p>February 3 amendment language not yet available. Prohibits person or entities from initiating any foreclosure proceeding, default or other adverse action against a person due to the failure of an electronic computing device to compute, recognize, or timely process the Year 2000. States: "A credit reporting agency operating in this state shall not report any negative credit information resulting, in whole or in part, from the failure of an electronic computing device to process financial information and other information or the inability of the consumer to transact financial business and make payments due to the failure of an electronic computing device to compute, recognize, or timely process the Year 2000 date change."</p>	<p>Introduced and referred to Senate Business Affairs and Labor Committee January 22. Hearing held February 3. Amended, reported and referred to House Appropriations Committee February 3.</p>
<b>CONNECTICUT</b>		
<p><u>H.B. 5995</u> <i>Representative Melody Currey (D)</i></p>	<p>Provides immunity to municipalities for negative impacts from Year 2000 problems</p>	<p>Introduced and referred to Joint Planning and Development Committee January 21, 1999.</p>

<p><u>S.B. 592</u>                  Senator Stephen R. Somma (R)</p>	<p>Requires the offer of liability insurance to cover business losses caused by the Year 2000 computer problem.</p>	<p>Introduced and referred to Joint Insurance and Real Estate Committee January 25.</p>
<p><b>DISTRICT OF COLUMBIA</b></p>		
<p><u>Bill 12-732</u>                  Councilmember Kathy Patterson (D)</p>	<p>Immunizes the government of the District of Columbia against lawsuits pertaining to Year 2000 equipment failures. Provides limited liability to government vendors whose Y2K failure is associated primarily with government-owned equipment. Government vendors would be held liable for damages stemming from a Y2K failure, and would offer a warranty stating that their goods and services are Y2K compliant.</p>	<p>Approved by Council December 15, 1998,</p>
<p><b>FLORIDA</b></p>		
<p><u>S.B. 80</u>                  Sen. John Grant (R)</p>	<p>Defines scope of liability that person, businesses and government agencies face for damages caused by Year 2000 information technology failure. Defines business as any person or entity engaged in the state in providing goods or services but does not include government agency. Allows for compensatory damages and punitive damages of three times the amount of compensatory damages caused by intentional or grossly negligent misrepresentation that a business is Year 2000 compliant. Allows for recovery in class actions filed after January 1, 2000, except those against manufacturers or vendors</p>	<p>Prefiled October 8 for introduction in 1999 legislative session. Referred to the Commerce and Economic Opportunities Committee November 10.</p>

	<p>of information technology products, only for class members which have incurred damages in excess of \$50,000. Imposes insurance and warranty requirements on persons who undertake to perform assessments of Year 2000 compliance. Removes the waiver of sovereign immunity for damages caused by gross negligence of governmental agencies. Provides for immunity from liability for officers and directors of businesses if they have in good faith and with due diligence received an assessment as to Year 2000 compliance and informed necessary parties who may be effected by result of failure by September 1, 1999.</p>	
<b>GEORGIA</b>		
<p><u>H.B. 221</u> <i>Representative George Grindley (R)</i></p>	<p>Limits the liability of computer product suppliers that make available solutions to Year 2000 computer problems. Establishes that any supplier of a computer product which fails or malfunctions due to being Year 2000 fails to make available solutions to any such problems, such action shall be considered a claim for breach of contract.</p>	<p>Introduced and referred to House Judiciary Committee January 26.</p>
<b>HAWAII</b>		
<p><u>H.B. 1105</u> <i>Representative Calvin K.Y. Say (D)</i></p>	<p>February 4 amendments forthcoming. Amends the Year 2000 immunity provisions established. Extends the time frame covered by the immunity for government computer systems beyond June 30, 1999.</p>	<p>Introduced and referred to House Judiciary and Hawaiian Affairs Committee January 28. Public hearing held February 4. Reported from Committee as amended February 4. Referred to House Finance Committee</p>

		February 4.
<p><u>H.B. 1111</u>  <i>Representative Calvin K.Y. Say (D)</i></p>	<p>February 4 amendments forthcoming. Provides protections for persons who exercise commercially responsible efforts to identify and find solutions for computer-based systems that may be affected by Year 2000 errors.</p>	<p>Introduced and referred to House Judiciary and Hawaiian Affairs Committee January 28. Public hearing held February 4. Reported from Committee as amended February 4. Referred to House Finance Committee February 4.</p>
<p><u>H.B. 1112</u>  <i>Representative Calvin K.Y. Say (D)</i></p>	<p>Working title is "Relating to claims against the government based on Year 2000 errors by computer-based systems." Language is not yet available.</p>	<p>Introduced and referred to House Judiciary and Hawaiian Affairs Committee January 28.</p>
<p><u>S.B. 757</u>  <i>Senator Richard Matsuura (D)</i></p>	<p>Provides immunity to private persons or businesses from suits arising out of failure or error from a computer system after June 30, 1999 as a result of the system not being Year 2000 compliant.</p>	<p>Introduced and referred to Senate Commerce and Consumer Protection Committee January 25. Rereferred to Senate Commerce and Consumer Protection and Education and Technology Committees February 1. Joint public hearing scheduled February 10.</p>
<p><u>S.B. 1313</u>  <i>Senator Norman Mizuguchi (D)</i></p>	<p>Amends the current Year 2000 immunity provisions. Prohibits actions against the state, its political subdivisions, a board or a government employee</p>	<p>Introduced and referred to Senate Education and Technology Committee January 28.</p>

	<p>arising out of or relating to a Year 2000 error by a government computer system. Does not apply to deliberately tampering with a government computer system for the purpose of causing the system to produce a Year 2000 error or immediately returning a benefit arising from a Year 2000 error. Extends the time frame covered by the immunity for government computer systems to beyond June 30, 1999.</p>	
<p><u>S.B.1319</u> <i>Senator Norman Mizuguchi (D)</i></p>	<p>Working title is "relating to claims against the government based on Year 2000 errors by computer-based systems." This is a short-form bill and language is currently unavailable.</p>	<p>Introduced and referred to Senate Education and Technology Committee January 28.</p>
<p><u>S.B. 1320</u> <i>Senator Norman Mizuguchi (D)</i></p>	<p>Provides protection for persons who exercise commercially reasonable efforts to identify and find solutions for computer-based systems that may be affected by Year 2000 errors.</p>	<p>Introduced and referred to Senate Commerce and Consumer Protection Committee January 28. Rereferred to Senate Commerce and Consumer Protection and Education and Technology Committees February 1. Joint public hearing scheduled for February 10.</p>
<p><u>S.B. 1598</u> <i>Senator Marshall Ige (D)</i></p>	<p>Prohibits foreclosures, defaults or adverse action on various financial transactions and prohibits adverse or enforcement action on these matters as a result of Year 2000 problems. Prohibits negative entries in credit reports.</p>	<p>Introduced and referred to Senate Education and Technology Committee February 3. Rereferred to Senate Commerce and Consumer Protection and</p>

		Education and Technology Committees February 2. Joint public hearing scheduled February 10.
<b>ILLINOIS</b>		
<i>H.B. 487</i> <i>Representative Constance Howard (D)</i>	Creates the Year 2000 Citizens' Protection Act. Prohibits a person or entity from initiating any foreclosure proceeding, default, or other adverse action in certain matters, or initiating any adverse or enforcement action or negative credit reporting against any person who fails to or who is unable to cause payment, acts, forbearance, or other financial transactions to occur in a timely manner if the failure to make payments or take other action is due to the failure of an electronic computing device to compute, recognize, or timely process the Year 2000 date change. Contains provisions concerning applicability, exceptions, and conflicts with other laws. The Act is repealed on January 1, 2007. Effective immediately.	Introduced February 2. Referred to House Computer Technology Committee February 3. Hearing scheduled February 11.
<b>INDIANA</b>		
<i>H.B. 1559</i> <i>Rep. John Frenz (D)</i>	Grants immunity to the state of Indiana, a political subdivision, and any employee of the state or a political subdivision from tort and contract liability that is caused by an error resulting from or caused by a failure to recognize the year 1999, 2000, or a subsequent year, including an incorrect date or incorrect mechanical or electronic interpretation of a date that is produced, calculated, or generated by	Introduced and referred to House Judiciary Committee January 19.

	a computer, an information system, or equipment using microchips.	
<u>S.B. 94</u> <i>Sen. Luke Kenley (R)</i>	Grants immunity to the state, its political subdivisions and employees from computer errors, and would require state and local contracts to include provisions granting immunity to the state for breach of contract resulting from an incorrect date being produced, calculated, or generated by a computer or other information system. January 21 Amendments add June 30, 2003 sunset date to the act.	Prefiled December 8 for 1999 legislative session. Referred to Senate Corrections, Criminal and Civil Procedures Committee January 5. Amended and reported from Committee January 21. Passed Senate January 26.
<u>S.B. 666</u> <i>Senator Teresa Lubbers (R)</i>	Limits class action lawsuits related to Year 2000 problems to: (1) classes in which each member has damages exceeding \$50,000; or (2) cases in which the defendant is a manufacturer or vendor of a product that inaccurately processes date data and were previously represented as Year 2000 compliant. Specifies that an exchange in good faith of information related to Year 2000 problems is not an unlawful restraint of trade. Gives officers and directors of businesses immunity from civil liability resulting from a Year 2000 problem if the business exercised due diligence in mitigating Year 2000 liability. Gives creditors and fiduciaries immunity from civil liability resulting from the failure of a business to exercise due diligence or to be Year 2000 compliant. Specifies that the damages available in a civil action involving a Year 2000 problem are limited to the damages allowed by a contract applicable to the person incurring the loss or	Introduced and referred to Senate Judiciary Committee January 22.

	<p>compensatory damages for pecuniary losses. Prohibits punitive damages in a cause of action related to a Year 2000 problem. Provides for arbitration and mediation of disputes related to a Year 2000 problem.</p>	
<p><b>IOWA</b></p>		
<p><i>L.S.B. 1083</i> <i>Rep. Libby Jacobs (R)</i></p>	<p>Relates to Year 2000 liability for the public and private sector. Text not available.</p>	<p>Prefiled September 30 for introduction in 1999.</p>
<p><b>KANSAS</b></p>		
<p><u><i>H.B. 2185</i></u> <i>Representative Michael R. O'Neal (R)</i></p>	<p>Provides that suits resulting from Year 2000 damages can only be brought against "any individual, proprietor, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other group of persons acting in concert who provides services to a customer through the use of a computer system" as individual actions which are based solely and exclusively in contract to the exclusion of all other causes of action. Further provides that, if brought, the suit shall only allow recovery of actual damages. Further provides conditions which defendant must have met to be eligible for such immunity. Conditions include: the defendant provided customer notification; that no personal injury has been caused to the plaintiff; that the defendant made good faith efforts; that the defendant tested its systems via date change simulation no later than</p>	<p>Introduced and referred to House Judiciary Committee January 29.</p>

	<p>September 1, 1999; that the defendant prepared a contingency plan prior to October 1, 1999; and that the defendant has or will implement applicable portions of the contingency plan as necessary within 60 days of receiving notice of a problem from a client or customer. Further provides that the state of Kansas and its political subdivisions shall not have liability for any individual or class action suits brought against it for damages resulting from the Year 2000 date failure. Effective upon enactment.</p>	
<p><u>H.B. 2281</u> <i>Special Committee on Information Management</i></p>	<p>Provides immunity from claims resulting from the Year 2000 date change to governmental entities and their employees. Further provides that the sole remedy for indirect or consequential damages resulting from Year 2000 date changes shall be the right to file a claim on the disputed damages with the joint committee on special claims. Provides that this Act does not interfere with contractual rights and further provides that "if a governmental entity or contractor fails to perform contractual obligations due to computational or interpretive errors associated with the Year 2000 date change, the remedies available to the parties shall be as set forth in the written contract." Further provides that this Act does not interfere with the right to receive statutorily mandated services, and provides that actions to rectify the failure to receive such services shall be "the existing administrative procedures or remedies provided by law".</p>	<p>Introduced and referred to House Judiciary Committee February 8.</p>
<p><b>MAINE</b></p>		

<p><i>L.R. 1095</i> <i>Representative Jay MacDougall (R)</i></p>	<p>Assists Maine small manufacturing firms to implement Year 2000 assessments.</p>	<p>Prefiled December 18, 1998 for 1999 session.</p>
<p><i>L.R. 1961</i> <i>Sen. Robert Murray (D)</i></p>	<p>Clarifies the liability of financial institutions relating to the Year 2000 "bug."</p>	<p>Prefiled December 18, 1998 for 1999 session.</p>
<p><b>MARYLAND</b></p>		
<p><u><i>H.B. 8</i></u> <i>Del. Casper Taylor (D)</i></p>	<p>Creates the Year 2000 Commerce Protection Act, which establishes remedies for Maryland government, businesses, commerce, and consumers for damages caused by the failure of information technology products because of certain date data. Provides that the exclusive remedy for harm caused by a failure to be Year 2000 ready is in contract or, otherwise, as provided in this new subtitle. Provides that failure to be Year 2000 ready must be proximate cause of harm. Establishes, as an affirmative defense, that a person complied with standards of Section 2-405.1 of the Corporations Title. Lists factors for consideration in determining such compliance. Immunizes officers or directors from liability if in compliance with Section 2-405.1. Provides that Year 2000 readiness exchanges of information are not in restraint of trade.</p>	<p>Introduced and referred to Judiciary Committee January 13.</p>
<p><u><i>S.B. 232</i></u> <i>Senator Patrick Hogan (R)</i></p>	<p>Provides that a state or local government is immune from suit and liability for damages</p>	<p>Introduced and referred to Senate Judicial Proceedings</p>

	<p>arising out of the Year 2000 date change if the state or local government has: (1) published and made available for public comment a compliance plan; (2) Before October 1, 1999 adopted a compliance plan; (3) Before December 31, 1999 certified by the Chief Executive Officer, Chief Administrative Officer, or the designee of either officer, the implementation of the compliance plan. Provides immunity from suit for Year 2000 problems to employees of state and local government. Further provides that immunities set forth are in addition to any immunities or limits on liability otherwise available to state and local government.</p>	<p>Committee February 3.</p>
<p><u>S.B. 554</u> <i>Senator Richard Colburn (R)</i></p>	<p>Establishes remedies for Maryland government, business, commerce, and consumers for damages caused by the failure of information technology products because of the Year 2000 date change. Provides for damages under specified circumstances, specified defenses, and limitations on liability.</p>	<p>Introduced and referred to Senate Judicial Proceedings Committee February 9.</p>
<b>MASSACHUSETTS</b>		
<p><i>H.B. 2651</i> <i>Representative Philip Travis (D)</i></p>	<p>Provides that no cause of action, including, without limitation, any civil action or action for declaratory or injunctive relief, may be brought against the commonwealth, its employees, and its political subdivisions on the basis that a computer or other information system generated or calculated an incorrect date as a result of the Year 2000 date change. Further provides that such</p>	<p>Introduced and referred to House Science and Technology Committee January 6.</p>

	<p>failures must have been unforeseeable or that a "plan or design established to identify and prevent such failure was prepared in substantial compliance with generally accepted computer and information system design standards in effect at the time of the preparation of the plan or design."</p>	
<p><i>H.D. 1780</i> <i>Rep. Philip Travis (D)</i></p>	<p>Relates to Year 2000. Bill text is currently unavailable.</p>	<p>Prefiled for introduction in 1999 session. Replaced by H.B. 2651.</p>
<p><i>H.D. 3842</i> <i>Rep. Paul C. Casey (D)</i></p>	<p>Relates to Year 2000 failure of hospital and health systems. Bill text is currently unavailable.</p>	<p>Prefiled December 2 for introduction in 1999.</p>
<p><i>S.B. 503</i> <i>Sen. Marc R. Pacheco (D)</i></p>	<p>Provides that no hospital, health system, or any of its employees, directors, shareholders, representatives or agents thereof, shall have personal or corporate liability for losses from any failure or malfunction occurring between September 30, 1999, and December 31, 2005, which is caused directly or indirectly by the failure of computer software or a device that contains computer processing capabilities. Further provides that any contract entered into by a group insurance commission, the Division of Medical Assistance, the Division of Health Care Finance and Policy, and policy of accident or sickness insurance, a non-profit hospital service corporation, a medical service corporation, HMO, or PPO to a health care provider must include a</p>	<p>Prefiled December 2 for introduction in 1999. Introduced and referred to Science and Technology Committee January 6.</p>

	provision that provides immunity to said provider, hospital or health system for any breach of contract that is caused by a system failure related to the Year 2000 problem. Applicable to contracts executed after the effective date of the Act.	
<i>S.B. 504</i> <i>Sen. Marc R. Pacheco (D)</i>	Amends current law to include Internet, mail, and fax communications, as well as telephone communications, in the definition of harassing, annoying or molesting communications.	Prefiled December 2 for introduction in 1999. Introduced and referred to Science and Technology Committee January 6.
<i>S.B. 834</i> <i>Sen. Brian P. Lees (R)</i>	Prohibits any cause of action, including, without limitation, any civil action or action for declaratory or injunctive relief, from being brought against the Commonwealth, its employees and political subdivisions on the basis that a computer or other information system owned or operated by any of those persons produced, calculated, or generated an incorrect date as a result of the Year 2000 date change.	Prefiled for introduction in 1999 session. Introduced and referred to Senate Science and Technology Committee January 6.
<b>MINNESOTA</b>		
<u><i>H.F. 73</i></u> <i>Rep. Bill Hilty (D)</i>	Provides immunity to state agencies, associations and their members from Year 2000 computer, software and semiconductor problems. Appropriates \$20 million in loans from the general fund for school districts, counties, cities and towns to meet costs incurred in addressing Year 2000 problems. Requires repayment of loans to be made in five equal annual payments one year after receipt.	Introduced and referred to House Local Government and Metropolitan Affairs Committee January 11. Reported from committee as amended January 25. Referred to Senate Judiciary Committee January 25. Reported from Committee with amendments

	<p>Appropriates \$5.5 million from the general fund for modification of state business systems to address Year 2000 changes. Makes appropriation contingent upon a determination by the commissioner of administration that all other money has been expended. Defines association as any trade, professional, or similar organization the members of which are engaged in similar lines of business. January 28 amendments added local government immunity.</p>	<p>January 28. Referred to Senate Health and Family Committee January 28. Reported from Committee as amended February 1. Referred to Senate Job Energy and Community Development Committee February 1.</p>
<p><u>S.F. 2</u> <i>Sen. Steve Kelley (DFL)</i></p>	<p>Provides immunity to state agencies, associations and their members from Year 2000 computer, software and semiconductor problems. Appropriates \$20 million in loans from general fund for school districts, counties, cities and towns to meet costs incurred in addressing year 2000 problems. Requires repayment of loans must be made in five equal annual payments one year after receipt. Appropriates \$5.5 million from general fund for modification of state business systems to address Year 2000 changes. Makes appropriation contingent upon a determination by the commissioner of administration that all other money has been expended. Defines association as any trade, professional, or similar organization the members of which are engaged in similar lines of business.</p>	<p>Introduced and referred to Senate Local and Metropolitan Government Committee January 4.</p>

<p><i>S.F. 299</i>  <i>Senator Steve Kelley (DFL)</i></p>	<p>Limits the liability of the state and municipalities for certain claims involving Year 2000 problems. Provides protection to the state and municipalities from claims if they have identified the Year 2000 problem, made reasonable efforts to correct the problem and filed a disclosure of the potential problem with the Department of Administration by July 1, 1999. Provides that a Year 2000 claim can not be made against the state or a municipality until September 1, 2000.</p>	<p>Introduced and referred to Senate Judiciary Committee January 25.</p>
<b>MISSISSIPPI</b>		
<p><i>H.B. 658</i>  <i>Rep. Norma Bourdeaux (D)</i></p>	<p>Exempts state and political subdivisions from liability from computer malfunctions resulting from the Year 2000 date change.</p>	<p>Introduced and referred to House Judiciary A committee January 6.</p>
<p><i>S.B. 2091</i>  <i>Sen. Terry C. Burton (D)</i></p>	<p>Provides tort immunity from Year 2000 computer failures for governmental entities and their employees acting within the course and scope of their employment or duties. Further directs state agencies to take all necessary steps to insure that there is no disruption of critical services because of the Year 2000 date change.</p>	<p>Prefiled December 17 for introduction in 1999. Referred to Judiciary Committee January 5. Died after failing to meet February 2 Committee reporting deadline.</p>
<p><i>S.B. 2143</i>  <i>Senator Jim Bean (R)</i></p>	<p>Revises eligibility and services reimbursement for Medicaid assistance program. Committee substitute adopted January 27 adds a section requiring the Division of Medicaid and its fiscal agent to develop a contingency plan for reimbursement</p>	<p>Introduced and referred to Senate Public Health and Welfare Committee January 5. Committee substitute adopted January 27. Passed Senate, as</p>

	and eligibility verification to be used in the event of problems associated with the Year 2000 date failure. Specifies information to be included in the contingency plan.	amended, February 9.
<b>MONTANA</b>		
<u>B.D.R. 709</u> <i>Rep. Larry Grinde (R)</i>	The short title is "Revise laws to address Year 2000 liability." Language is not yet available.	Prefiled November 24 for 1999 session.
<u>S.B. 16</u> <i>Sen. Bob Keenan (R)</i>	Prohibits an action to be taken against a governmental entity based on any failure or error that results directly from the millennium bug and occurs before January 1, 2005. Unless otherwise agreed between parties, an action brought against a defendant other than a government entity must be in contract as long as the plaintiff did not suffer bodily harm and the defendant took the following measures prior to the date of failure: (a) made repair or replacement for an electronic computing device available free of charge; (b) notified the plaintiff by mail if the plaintiff is a registered buyer of the electronic computing device or any component of it that experiences the effects of the millennium bug. If the defendant could not notify the plaintiff who is registered by mail, or if the plaintiff is not a registered buyer, the defendant must have given notice by publication in the county when the plaintiff resides. If the defendant maintains a website, the notice must be posted on the site, which must be registered with at least five major search engines.	Introduced December 3, 1998 for 1999 session Referred to Senate Judiciary Committee December 12. Public hearing held January 11.

<b>NEBRASKA</b>		
<p><u>L.B. 160</u> <i>Sen. Pam Brown (I)</i></p>	<p>Limits governmental liability for damages relating to electronic computing devices. States that "if a governmental entity's contractor's failure to perform contractual obligations is due to computational or interpretive error associated with the Year 2000 date change, the remedies available to the parties shall be set forth in the contract."</p>	<p>Introduced and referred to Judiciary Committee January 8.</p>
<p><u>L.B. 254</u> <i>Sen. Doug Kristensen(I)</i></p>	<p>Limits governmental liability for harm caused by incorrect dates by a computer or information system by prohibiting "any claim based upon calculation of an incorrect date by a computer or other information system owned or operated by the political subdivision or a contractor for the political subdivision, regardless of the cause of the error." Provides immunity for the government contractors as well.</p>	<p>Introduced January 11. Awaiting committee referral.</p>
<p><u>L.B. 282</u> <i>Sen. Elaine Stuhr (I)</i></p>	<p>Changes political subdivision and state immunity provisions relating to government computer systems. Provides immunity from civil action arising from "any claim based upon failure of or error produced, calculated, or generated by a government computer system in connection with the Year 2000 date change. Does not provide immunity for contractors.</p>	<p>Introduced January 11. Awaiting committee referral.</p>

<p><u>L.B. 661</u> <i>Sen. Doug Kristensen (I)</i></p>	<p>States that "the only damages in a civil action for damages resulting directly or indirectly from a computer date failure shall be actual damages based in contract if (1) the defendant has made all reasonable efforts to protect its computer systems, programs, or software from computer failure or error or (2) the defendant has complied with federal guidelines, rules, or regulations applicable to the defendant to protect against a computer date failure." Defines "computer date failure" as "the present or future inability of a computer system, program, or software to accurately store, process, provide, or receive data from, into, and between the years 1999 and 2000 and beyond."</p>	<p>Introduced and referred to Judiciary Committee January 20.</p>
<p><u>L.B. 699</u> <i>Senator Gene Tyson (I)</i></p>	<p>Provides immunity for governmental entities and their employees for damages caused in whole or part by the failure of, or computational or interpretative errors generated by, the Year 2000 date change. Stipulates that "if a contractor's failure to perform contractual obligations is due to an electronic computing device not being Year 2000 compliant, the remedies available to the parties shall be as set forth in the contract."</p>	<p>Introduced and referred to Judiciary Committee January 20.</p>
<p><u>L.B. 731</u> <i>Sen. Roger Wehrbein (I)</i></p>	<p>Provides for the funding of technology needs through the Rural Technology Development Act, including Year 2000 technology needs, for rural counties and localities. Stipulates that by January</p>	<p>Introduced and referred to the Government, Military and Veterans Affairs Committee January 25.</p>

	<p>I, 2000, all political subdivisions covered by the act must have computer hardware and operating systems that are Year 2000 compliant.</p>	
<p><b>NEVADA</b></p>		
<p><i>B.D.R. 1292</i> <i>Sponsor Unavailable</i></p>	<p>Revises provisions regarding disclosure of privileged information during audits by insurance companies to determine compliance with state and federal laws regarding Y2K computer issues.</p>	<p>Prefiled December 15 for introduction in 1999.</p>
<p><b>NEW HAMPSHIRE</b></p>		
<p><i>L.S.R. 365</i> <i>Rep. Naida L. Kaen (I)</i></p>	<p>The short title is "Relative to criteria for reporting Year 2000 related computer problems and relative to limiting civil liability for Year 2000 computer related claims." Language is not yet available.</p>	<p>Prefiled December 17 for 1999 session.</p>
<p><i>L.S.R. 757</i> <i>Rep. Neal M. Kurk (R)</i></p>	<p>The short title is "affirming the sovereign immunity of the state in connection with state computers, software and computer programs." Language is not yet available.</p>	<p>Prefiled December 17 for 1999 session.</p>
<p><b>NEW JERSEY</b></p>		
<p><i>A.B. 2511</i> <i>Assemblyman Michael J. Arnone (R)</i></p>	<p>Provides civil immunity to public entities for damages resulting from, or caused directly or indirectly by, the failure of computer hardware or software or any device containing a computer processor to accurately or properly</p>	<p>Introduced and referred to Assembly Policy and Regulatory Oversight Committee October 5, 1998.</p>

	recognize, calculate, display, sort or otherwise process dates or times.	
<u>A.B. 2666</u> <i>Assemblyman Joe Weingarten (R)</i>	Provides that an action, including one to recover damages, resulting from a Year 2000 computer date failure shall be based solely in contract when the defendant, or other responding party from whom liability is sought, used reasonable efforts to detect, disclose, prevent, report on or remedy a Year 2000 computer date failure.	Introduced and referred to Assembly Judiciary Committee November 23, 1998.
<u>S.E. 1421</u> <i>Sen. Leonard Connors (R)</i>	Provides that a public entity could not be held liable in any civil action for damages resulting from the failure of a computer system to accurately or properly recognize or calculate date or times.	Introduced and referred to the Senate Judiciary Committee October 15, 1998.
<b>NEW YORK</b>		
<u>S.B. 1218</u> <i>Senator John A. DeFrancisco (R)</i>	Enacts the year 2000 computer and information system liability act; provides immunity to the state of New York and any agency, department, or political subdivision, independent contractor of the state or employee or officer of the state from any civil liability for breach of contract caused by an incorrect date produced by a computer or information system.	Introduced and referred to the Senate Judiciary Committee January 19.
<b>NORTH DAKOTA</b>		
<u>H.B. 1037</u>	Amends North Dakota tort liability law to specifically	Introduced and referred to

<p><i>Information Technology Committee</i></p>	<p>prohibit claims against the state, any political subdivision of the state, or any employee of the state resulting from Year 2000 date change computer failures provided that the state has made a good faith effort to make the computer hardware or software, telecommunications network, or device containing a computer processor compliant with the Year 2000 date change.</p>	<p>Government and Veterans Affairs Committee January 5. Hearing held January 14. Reported from Committee February 2. Passed House February 3. Referred to Government and Veteran Affairs Committee February 4.</p>
<p><u>S.B. 2303</u> <i>Senator Jerry Klein (R)</i></p>	<p>Requires federally insured financial institutions or credit unions to make a good faith effort to make and implement a Year 2000 readiness plan and comply with the requirements of the financial institution's or credit union's primary federal regulator in order to be covered by this act. Requires that: (1) a claim for relief in connection with a Year 2000 disruption be commenced before January 1, 2001; (2) a federally insured financial institution or credit union may not be held liable to any person not in privity of contract with the financial institution or credit union for damages or other relief relating to a Year 2000 disruption; (3) if two or more parties contributed, the liability of each party responsible is several and each party is liable only for the amount of damages attributable to the percentage of responsibility of that particular party; and (4) a party claiming relief from a federally insured financial institution or credit union as a primary consequence of a Year 2000 problem may not be awarded punitive damages, consequential damages, extraordinary damages, noneconomic damages, or any other relief in excess</p>	<p>Introduced and referred to Industry, Business, and Labor Committee January 18. Reported from Committee February 3. Passed Senate February 4. Referred to Senate Industry, Business and Labor Committee February 9.</p>

	of economic damages.	
<b>OKLAHOMA</b>		
<p><i>H.B. 1325</i> <i>Rep. Robert Weaver (D)</i></p>	<p>Provides that if certain conditions are met, any action brought against a defendant because of a computer date failure shall: (1) be brought only as an individual action and not as a class action; (2) be based solely and exclusively in contract to the exclusion of all other causes of action and (3) if brought, only allow recovery for the actual damages resulting from a computer date failure and not for consequential and remote damages resulting from a computer date failure.</p> <p>The conditions that must be met are: (1) the plaintiff in the action has not suffered any personal injury, other than emotional harm, as a result of the computer date failure; (2) the defendant in the action has made reasonable efforts to protect computer systems, programs or software, which it uses to provide services to its clients or customers, from a computer date failure; (3) the defendant, no later than July 1, 1999, has tested its computer systems, programs or software which it uses to provide services to its customers and clients, by actually simulating the transition from December 31, 1999 to January 1, 2000, and made any other tests that a reasonable person would believe necessary to prevent a computer date failure. However, the defendant is not required to test the computer system, program or software of any individual client or customer; (4) the defendant, no later than</p>	<p>Introduced and referred to House Judiciary Committee February 2.</p>

August 1, 1999, has prepared a contingency plan, that will provide for alternative methods of carrying out the services which it provides to its clients and customers; (5) the defendant, no later than August 1, 1999, has provided notice by mail to its customers or clients of its efforts to avoid a computer date failure; (6) the defendant has or will implement the applicable portions of the contingency plan, or otherwise remedy the problem created by the computer date failure, within sixty (60) days after receiving written notice, from a client or customer, of a problem with its services that may be caused by a computer date failure.

Provides immunity for the state and its political subdivisions from liability for any action brought against it resulting directly or indirectly from a computer date failure.

*H.B. 1412*  
*Representative Fred Perry (R)*

States that a business shall not be liable for losses from any failure or malfunction occurring before December 31, 2005, which is caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort, or otherwise process dates or times, if: (1) the failure or malfunction causing the loss was unforeseeable; (2) the failure or malfunction causing the loss was foreseeable, but the plan or design or both for identifying and preventing the failure or malfunction was prepared in substantial compliance with generally accepted computer and

Introduced and referred to House Committee February 2.

information system design standards in effect at the time of the preparation of the plan or design; (3) the business exercised due diligence in assessing whether or not the failure or malfunction causing the loss would occur and made a good-faith effort to avoid the failure or malfunction; or (4) the business adequately disclosed to the injured party before the date of the injury that there was a failure or malfunction that could result in injury.

The provisions of this section apply to actions arising out of contract and arising independent of contract. If the terms of a contract provide remedies for loss due to the failure or malfunction of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort, or otherwise process dates or times, the terms of the contract shall govern recovery. The provisions of this section shall not apply to medical malpractice claims alleging bodily injury or death.

*H.B. 1413*  
*Rep. Fred Perry (R)*

Amends the Governmental Tort Claims Act to: (1) provide that neither the state, nor any political subdivision, shall have liability for losses from any failure or malfunction occurring before December 21, 2005, which is caused directly or indirectly by the failure of computer software or any device containing a computer processor to accurately or properly recognize, calculate, display, sort, or otherwise process dates and times; (2) grant immunity to contractors, officers, and employees of the state; (3)

Prefiled for introduction in 1999 session January 7.

	<p>require that any contract entered into by or on behalf of the state, its political subdivisions, its immune contractors, its officers, or its employees must include a provision that provides immunity for any breach of contract that is caused by an incorrect date change being produced, calculated or generated.</p> <p>Allows for a claim to be brought for medical negligence due to the date change if the failure resulted in bodily injury or death. An "immune contractor" is defined as "an independent contractor providing, pursuant to contract, computer software or computer technical assistance to the state or a political subdivision of the state."</p>	
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**PENNSYLVANIA**

<p><u>S.B. 316</u> <i>Senator Jim Gerlach (R)</i></p>	<p>Permits recovery of direct damages for bodily injury and damages to property proximately caused by the defendant's conduct based upon an alleged failure by a computer consultant to properly detect, disclose, prevent, or remediate a computer date failure. Prohibits recovery of consequential, indirect, or incidental damages in such actions. Provides immunity for governmental entities for damages arising out of a negligent act which causes or fails to prevent a computer date failure.</p>	<p>Introduced and referred to House Communications and High Technology Committee February 3.</p>
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**RHODE ISLAND**

<p><u>H.B. 5040</u> <i>Rep. John Maher (D)</i></p>	<p>Makes the state, political subdivisions, cities, and towns immune from suit or claims brought against it</p>	<p>Introduced and referred to Judiciary Committee</p>
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	arising out of Year 2000 date change.	January 12.
<p><u>S.B. 263</u>  <i>Senator David E. Bates (R)</i></p>	<p>Provides that a person may recover direct damages, including damages for bodily harm and property damage and any costs "reasonably incurred to reprogram or replace and test the relevant computer system or program" based upon "an alleged failure to properly detect, disclose, prevent, report, or remediate a computer date failure." Prohibits the collection of "inconsequential damages, including, but not limited to, "business interruption losses, lost profits, or losses alleged to have resulted from the injured's ability to perform his contractual obligation to third parties." Effective upon passage.</p>	<p>Introduced and referred to Senate Judiciary Committee January 28.</p>
<p><b>SOUTH CAROLINA</b></p>		
<p><u>S.B. 261</u>  <i>Sen. Robert Hayes (R)</i></p>	<p>Creates an exception to a waiver of immunity in the Tort Claims Act for a Year 2000 computer or automation device in use by a governmental entity unless the entity negligently constructed or programmed the device itself. Exempts governmental entities from liability for Year 2000 errors caused by computer hardware or software supplied by a nongovernmental entity.</p>	<p>Introduced and referred to Senate Judiciary Committee January 12.</p>
<p><b>SOUTH DAKOTA</b></p>		
<p><u>S.B. 62</u>  <i>Senate Judiciary Committee</i></p>	<p>Immunizes state and local government agencies and their employees for losses resulting from Year</p>	<p>Introduced and referred to Senate Judiciary Committee</p>

	2000-related computer failures or malfunctions if the loss was unforeseeable or, if the loss was foreseeable, if the agency substantially complied with generally accepted standards.	January 12. Hearing held January 20.
<b>TENNESSEE</b>		
<u>H.B. 23</u> <i>Rep. Larry Scroggs (R)</i>	Grants governmental immunity for injuries arising from Year 2000 malfunctions of computer software or devices due to failure to recognize or compensate for dates or times if failure as unforeseeable or correction plan reasonable before December 31, 2005.	Introduced and referred to House Judiciary Committee January 16.
<u>H.B. 193</u> Representative Matthew Kisber (D)	Provides immunity from suit under Tennessee Governmental Tort Liability Act for any injury caused by computer system or software because of inability to process Year 2000 date.	Introduced February 4. Awaiting committee referral.
<u>H.B. 277</u> Representative Kathryn I. Bowers (D)	Provides immunity from suit under Tennessee Governmental Tort Liability Act for any injury caused by computer system or software because of inability to process Year 2000 date.	Introduced February 3. Awaiting committee referral.
<u>S.B. 19</u> <i>Sen. Tom Leatherwood (R)</i>	Grants governmental immunity for injuries arising out of Year 2000 malfunctions of computer software or devices due to failure to recognize or compensate for dates or times if failure in unforeseeable or correction plan reasonable before	Prefiled January 12. Referred to Senate and state Local Government January 16. Hearing held February 2. Hearing scheduled for February 16.

	December 31, 2005.	
<u>S.B. 189</u> <i>Senator Roscoe Dixon (D)</i>	Provides immunity from suit under Tennessee Governmental Tort Liability Act for any injury caused by computer system or software because of inability to process Year 2000 date.	Introduced and referred to Senate Judiciary Committee February 4.
<u>S.B. 225</u> <i>Senator Jerry Cooper (D)</i>	Provides immunity from suit under Tennessee Governmental Tort Liability Act for any injury caused by computer system or software because of inability to process Year 2000 date.	Introduced February 4. Referred to Senate State and Local Government Committee February 8.
<b>TEXAS</b>		
<u>H.B. 40</u> <i>Rep. Jim Pitts (R)</i>	Limits liability resulting from a computer date error resulting from the date January 1, 1999 or later to: "damages arising from a computer date failure, under which the claimant may recover only: (1) damages resulting from personal injury or wrongful death, excluding mental anguish; and (2) costs reasonably incurred to reprogram or replace and internally test the relevant computer, computer network, computer program, computer software, computer system, or internal hardware timer."	Prefiled November 9 for introduction in 1999. Referred to House Civil Practices Committee February 1.
<b>UTAH</b>		
<u>H.B. 189</u> <i>Rep. Blake Chard (R)</i>	Provides immunity for governmental entities, officers and employees from harm caused by	Prefiled October 28, 1998. Referred to House Public Utilities and

	errors or failures caused by an electronic computing device in connection with the Year 2000 problem. February 8 technical amendments added.	Technology Committee January 18. Committee Meeting held January 22. Reported from Committee as amended February 8.
<b>VERMONT</b>		
<u>H.B. 76</u> <i>Representative Frank Mazur (R)</i>	Prohibit suits against the state and municipalities based on incorrect computer dates. Does not require that any contract entered into on behalf of and in the capacity of the state or municipality or an officer or employee thereof to include a provision providing immunity to the state or municipality and its officers and employees for breach of contract caused by the Year 2000 date failure. Further provides that any contract entered into by the state on or after July 1, 1999, does not have such immunity for the state, municipalities and their agents.	Introduced and referred to House Commerce Committee January 22. Hearing February 10.
<b>VIRGINIA</b>		
<u>H.B. 1669</u> <i>Del. James Almand (D)</i>	Provides that tort actions may not be brought against the Commonwealth's counties, cities, towns, or other political subdivisions, or employees or officers thereof based upon the failure of a computer, software program, database, network, information system, firmware, or other device to interpret, produce, calculate, generate, or account for a date which is compatible with the Year 2000 date change. Acts or omissions constituting gross negligence or willful	Introduced and referred to House Science and Technology Committee January 13. Reported from Committee January 22. Passed House and referred to senate General Laws Committee January 27.

	misconduct are excluded from the bill's coverage.	
<p><u>H.B. 1671</u>  <i>Del. Samuel Nixon (R)</i></p>	<p>Provides immunity from liability for tort damages to any person for injury resulting from disclosing information, in good faith, about the Year 2000 problem. January 23 amendments require that disclosure information be clearly marked on the documents and state that the act is not applicable in cases of personal injury or death.</p>	<p>Introduced and referred to House Science and Technology Committee January 13.</p> <p>Amended, reported from Committee and referred to House Courts of Justice Committee January 23.</p> <p>Reported from Committee February 8. Passed House February 9.</p>
<p><u>H.B. 2153</u>  <i>Delegate James M. Scott (D)</i></p>	<p>Provides that state offices will be closed on Monday, January 3, 2000 to provide a three-day weekend to permit agencies to deal with any computer problems arising from the century date change. Bill text forthcoming.</p>	<p>Introduced and referred to House General Laws Committee January 20. Reported from Committee January 28. Passed House and referred to Senate Rules Committee February 3.</p>
<p><u>H.B. 2158</u>  <i>Del. James Almand (D)</i></p>	<p>February 8 amendment deletes previous language and exempts all officers or employees of the Commonwealth or any of its political subdivisions, agencies and instrumentalities from liability for any claim arising from the failure of a computer, software program, database, network information system, firmware or any other device, operated in their official</p>	<p>Introduced and referred to House Courts of Justice Committee January 20. Amended and reported from Committee February 8. Passed House February 9.</p>

	<p>responsibilities, to interpret produce, calculate, generate or account for a date which is compatible with the Year 2000 date change. Declares that the immunity conferred by this section shall not apply if the act or omission at issue was the result of the officer's or employee's gross negligence or willful misconduct. The original bill provided that civil actions may not be brought against constitutional officers of the Commonwealth based on the failure of a computer, software, database, network or information system caused by the inability to interpret, calculate or generate the Year 2000 date change.</p>	
<p><u>S.B. 983</u> <i>Sen. Warren Barry (R)</i></p>	<p>Limits liability and damages for economic loss in connection with the century date change. Liability and damage rules for civil actions related to Y2K problems would be limited to the scope of existing contracts, protect persons from liability for the Y2K-related actions of third parties, create an affirmative protection for employees, officers and directors, disallow consequential or punitive damages, and limit total damages to actual, direct damages. February 3 amendments: (1) expand definition of regulated entities to include financial institutions; (2) state act does not apply to damages in connection with wrongful death; and (3) state act will not limit the enforcement of laws or regulations.</p>	<p>Introduced and referred to Senate Court of Justice Committee January 19. Hearing scheduled January 27. Amended and reported from Committee February 3. Passed Senate February 8. Awaiting Committee referral.</p>
<p><u>S.B. 1013</u> <i>Senator Janet Howell (D)</i></p>	<p>Creates a Year 2000 assessment privilege for documents created during a Year 2000 assessment</p>	<p>Introduced and referred to Senate Court of Justice Committee</p>

	conducted from January 1, 1996 to January 1, 2002.	January 19. Hearing scheduled January 27. Failed to pass before the legislative crossover deadline February 9.
<u>S.B. 1180</u> <i>Senator William Roscoe Reynolds (D)</i>	Stipulates liability and damage rules for civil actions based on "Year 2000 problems." The rules are: (1) no person shall be liable to any person not in privity of contract with such person; (2) no person shall be liable for damages caused by a delay or interruption in performance, or in the delivery of goods or services, resulting from or in connection with a Year 2000 problem, to the extent such Year 2000 problem was caused by a "third party"; (3) no employee, officer, or director shall be liable in his capacity as such to any person; (4) no person shall be liable for consequential or punitive damages; and (5) total damages shall not exceed actual direct damages.	Introduced and referred to Senate Courts of Justice Committee January 21. Hearing scheduled January 27. Failed in Committee February 3.
<b>WASHINGTON</b>		
<u>S.B. 5767</u> <i>Senator Bill Finkbeiner (R)</i>	Declares no action may be brought against a business, its officers or directors its employees, or an agency or its employees for indirect or consequential damages caused in whole or in part by computational or interpretive errors generated by an electronic computing device owned, controlled or operated by a business or an agency and arising out of or in connection with the Year 2000 date change. Defines indirect or consequential damages, "as any harm, loss, damage or mental	Introduced and referred to Senate Judiciary Committee February 8.

	<p>injury of any nature whatsoever other than goods, entitlements services, or compensation that businesses and agencies are by contract, statute, or rule obligated to provide." Exempts the employees, officers or directors of a business from liability in any other action. Does not prohibit an action otherwise permitted by law for such damages if the claimant proves with clear and convincing evidence that the damages were caused by the business' or agency's willful failure to attempt to find and correct any such errors.</p>	
<b>WISCONSIN</b>		
<p><u>A.B. 19</u> <i>Representative Marlin Schneider (D)</i></p>	<p>Provides that no person may recover any damages against any state or local government unit for any act or omission caused by the failure of an electronic computing device to Year 2000 date change. Provides for immunity for any officer, employee or agent of any state or local government unit.</p>	<p>Introduced and referred to Assembly Insurance Committee January 14.</p>
<p><u>A.B. 51</u> <i>Representative Scott Jensen (R)</i></p>	<p>January 26 amendments provide for designation of confidential business information in a Year 2000 report. Provides that no defendant in a civil action is considered to have made a good faith effort unless the defendant took specific actions to prevent Year 2000 Failure. January 21 amendments removed section on actions being filed against individuals who did not directly give false information. Adds additional prerequisite for filing a civil action to include omission of information in a Year 2000 statement that makes the</p>	<p>Introduced and referred to Assembly Information Policy Committee January 19. Public hearing held January 20. Reported from Committee as amended January 21. Referred to Assembly Rules Committee January 21. Passed House as amended January 26. Referred to Joint Information Policy Committee January 27.</p>

statement false, misleading or deceptive.

Requires reporting of information regarding Year 2000 processing to state and local government units by any person regulated by such government units.

Establishes a fine of \$100 for failure to provide information required or knowingly giving false information. Provides for immunity for state and local government units, including officer, employee or agent thereof, for Year 2000 computer failure. Provides that any bill introduced that would impact any state government, local government or person with regard to the Year 2000 problem may have a Year 2000 impact statement prepared by the Department of Administration at the request of the Speaker of the Assembly or President of the Senate. Allows Department of Administration to provide educational outreach by working with private contractors. Requires Department of Military Affairs to review all local emergency management plans for responding to possible Year 2000 failure.

**WEST VIRGINIA**

<p><i>H.B. 2298</i> <i>Delegate Robert S. Kiss (D)</i></p>	<p>Enacts "Commerce Protection Act." Prescribes exclusive remedies against persons, businesses and governmental agencies for damages caused by the failure of their information technology resources to function properly with respect to date data. Prescribes damages, expands the waiver of sovereign immunity, bars certain class actions, provides immunity from personal liability for directors and officers of</p>	<p>Introduced and referred to House Judiciary Committee January 19.</p>
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	<p>businesses. Creates a lien in favor of certain lending institutions on proceeds received by a business as a result of its failure or the failure of another to be Year 2000 compliant. Imposes insurance and warranty requirements on persons who assess whether information technology resources are Year 2000 compliant and prescribes remedies for such persons.</p>	
<b>WYOMING</b>		
<p><u>S.F. 83</u> <i>Senator Tom D. Kinnison (R)</i></p>	<p>Grants immunity for Year 2000 computer date failures to governmental entities and people acting as independent contractors with a governmental entity, while acting within the scope of duties. Requires that contracts entered into by or on behalf of a governmental entity on or after the effective date of this act include a provision for immunity from civil action.</p>	<p>Introduced and referred to Senate Judiciary Committee January 14.</p>

(Updated as of February 16, 1999)