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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4469 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Representative Eileen DeHart  
House Committee: Family and Civil Law  
Senate Committee: Technology and Energy

### **CONTENT**

The bill would amend the governmental immunity law to limit the liability of political subdivisions (other than municipal corporations) and their employees for damages resulting from a computer date failure. The bill would not apply to an action to recover damages for a wrongful death or injury to a person resulting from a computer date failure. "Computer date failure" would mean a malfunction, including the malfunction of an electronic or mechanical device or the inability of a computer, computer network, computer program, embedded chip, computer system, or computer software to store, process, receive, or transmit data accurately, that was caused directly or indirectly by the failure of a computer, computer network, computer program, embedded chip, a computer system, or computer software accurately or properly to recognize, calculate, display, sort, or otherwise process dates or times in the years 1999 and 2000, and beyond.

A political subdivision engaged in the exercise or discharge of a governmental function would be immune from liability in an action to recover damages resulting directly or indirectly from a computer date failure, including an action based on an alleged failure to detect, disclose, prevent, report on, or remediate a computer date failure, or an action based on other sections of the law. Each officer, employee, or volunteer of a political subdivision, and each member of a board, council, commission, or statutorily created task force of a political subdivision would be immune from liability in the same type of action, if the individual's conduct did not amount to gross negligence and other conditions were met.

The bill would be repealed on January 1, 2003, and is tie-barred to House Bill 4588 (which includes similar provisions for municipal corporations) and House Bill 4587 (which would prevent political subdivisions from collecting for billing errors caused by a computer date failure).

Proposed MCL 691.1407b

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The bill would have an indeterminate impact on local units of government, depending on the number of actions that could arise from computer date failures. The potential savings from expanded immunity cannot be estimated.

Date Completed: 12-7-99

Fiscal Analyst: B. Bowerman