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**SFA****BILL ANALYSIS**

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House Bill 4587 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Patricia Birkholz  
House Committee: Family and Civil Law  
Senate Committee: Technology and Energy

### **CONTENT**

The bill would create a new act to prohibit public subdivisions from collecting fees or fines on billing errors caused by a computer date failure. Specifically, a political subdivision could not assess, charge to, or collect from a person interest, penalties, fines, or other fees or finance charges on the amount of an error, if a computer date failure, including a failure to detect, disclose, prevent, report on, or remediate a computer date failure, directly or indirectly resulted in a billing error by the political subdivision for goods or services, including utility service, provided to a person, or an error in the determination or assessment of a fee or tax payable by a person to the political subdivision.

The bill would define "computer date failure" as 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.

"Political subdivision" would mean a municipal corporation, county, county road commission, township, charter township, school district, community college district, port district, metropolitan district, or transportation authority, or a combination of those when acting jointly; a district or authority authorized by law or formed by one or more political subdivisions; or an agency, department, court, board, or council of a political subdivision.

The bill would be repealed on January 1, 2003, and is tie-barred to House Bills 4469 and 4588, which would provide for governmental immunity for damages resulting from a computer date failure.

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The bill would have an indeterminate impact on local units of government, depending upon possible future billing errors caused by computer date failures.

Date Completed: 12-6-99

Fiscal Analyst: B. Bowerman

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Analysis available @ <http://www.michiganlegislature.org>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.