
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 4588 (Substitute H-3 as reported by the Committee of the Whole)
Sponsor: Representative Marc Shulman
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 municipal corporations and their employees for damages resulting from a computer date failure; and to provide immunity for governmental agencies with respect to the ownership or operation of a hospital or county medical facility, in regard to 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 municipal corporation 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 municipal corporation, and each member of a board, council, commission, or statutorily created task force of a municipal corporation 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. A governmental agency (and its employees, officers, volunteers, board members, etc.) also would be immune from liability in an action to recover damages with respect to the ownership or operation of a hospital or county medical facility resulting from a computer date failure.

The bill would be repealed on January 1, 2003, and is tie-barred to House Bill 4469 (which includes similar provisions for political subdivisions) and House Bill 4587 (which would prevent political subdivisions from collecting for billing errors caused by a computer date failure).

MCL 491.1407 et al.

Legislative Analyst: S. Lowe

FISCAL IMPACT

The bill would have an indeterminate impact on municipal corporations, the State, and 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

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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.