

**SUBSTITUTE FOR
HOUSE BILL NO. 4587**

A bill to protect against interest, fines, penalties, and other fees and finance charges by political subdivisions for billing errors caused by computer date failures; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Computer" means a high-speed data processing device
3 that performs logical, arithmetic, or memory functions by the
4 manipulations of electronic or magnetic impulses and includes all
5 input, output, processing, storage, or communication facilities
6 that are connected or related to the device.

7 (b) "Computer date failure" means a malfunction, including,
8 but not limited to, the malfunction of an electronic or
9 mechanical device or the inability of a computer, a computer
10 network, a computer program, computer software, an embedded chip,

1 or a computer system to accurately store, process, receive, or
2 transmit data, that is caused directly or indirectly by the fail-
3 ure of a computer, a computer network, a computer program, com-
4 puter software, an embedded chip, or a computer system to accu-
5 rately or properly recognize, calculate, display, sort, or other-
6 wise process dates or times in the years 1999 and 2000 and
7 beyond.

8 (c) "Computer network" means an interconnection of 2 or more
9 computers or computer systems by satellite, microwave, line,
10 cable, wiring, or other communication medium with the capability
11 to transmit information among the computers or computer systems.

12 (d) "Computer program" means an ordered set of data-coded
13 instructions or statements that when executed by a computer cause
14 the computer system to process data or perform specific
15 functions.

16 (e) "Computer software" means a set of computer programs,
17 procedures, and associated documentation related to the operation
18 of a computer, computer system, or computer network.

19 (f) "Computer system" means a combination of a computer or a
20 computer network with the documentation, computer software, or
21 physical facilities supporting the computer or computer network.

22 (g) "Embedded chip" means a single or multiple microproces-
23 sor chip that operates in conjunction with software, including
24 software on the chip itself, and that in some way controls a
25 device or equipment, including, but not limited to, a computer or
26 other electronic or mechanical device.

Sub. H.B. 4587 (H-1) as amended October 21, 1999 3

1 (h) "Political subdivision" means a municipal corporation,
2 county, county road commission, township, charter township,
3 school district, community college district, port district, met-
4 ropolitan district, or transportation authority, or a combination
5 of these when acting jointly; a district or authority authorized
6 by law or formed by 1 or more political subdivisions; or an
7 agency, department, court, board, or council of a political
8 subdivision.

9 Sec. 2. If a computer data failure, including, but not
10 limited to, a failure to detect, disclose, prevent, report on, or
11 remediate a computer data failure, directly or indirectly results
12 in a billing error by a political subdivision for goods or serv-
13 ices, including, but not limited to, utility service, provided to
14 a person, or an error in the determination or assessment of a fee
15 or tax payable by a person to a political subdivision, the polit-
16 ical subdivision shall not assess, charge to, or collect from the
17 person interest, penalties, fines, or other fees or finance
18 charges on the amount of the error.

19 Sec. 3. This act is repealed January 1, 2003.

[Sec. 4. This act does not take effect unless House Bill No.
4469 and House Bill No. 4588 of the 90th Legislature are enacted
into law.]