

# HOUSE BILL REPORT

## HB 2015

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**As Reported By House Committee On:**  
Judiciary

**Title:** An act relating to restricting liability for harm caused by incorrectly calculated or interpreted dates associated with year 2000 date-changes processed by electronic computing devices.

**Brief Description:** Restricting liability for year 2000 date-change damages.

**Sponsors:** Representatives Radcliff, Wolfe, Lambert, Romero, DeBolt, Morris, Constantine, Ruderman, D. Schmidt, Crouse, Carrell, Poulsen, Miloscia and Rockefeller; by request of Department of General Administration and Department of Information Services.

**Brief History:**

**Committee Activity:**

Judiciary: 2/22/99 [DPA].

### Brief Summary of Amended Bill

- Provides that the state is severally, not jointly, liable for damages arising from the year 2000 problem.
- Immunizes the state from the first \$100 of liability per claimant arising from the year 2000 problem.

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## HOUSE COMMITTEE ON JUDICIARY

**Majority Report:** Do pass as amended. Signed by 12 members: Representatives Carrell, Republican Co-Chair; Constantine, Democratic Co-Chair; Hurst, Democratic Vice Chair; Lambert, Republican Vice Chair; Cox; Dickerson; Esser; Kastama; Lantz; Lovick; McDonald and Schindler.

**Staff:** Jim Morishima (786-7191).

**Background:**

### The Year 2000 Problem:

The year 2000 (Y2K) problem is caused by the practice of using two digits instead of four to represent years in computer programs and computer chips. This may cause some computers to mistake the year 2000 for the year 1900 which may cause the failure of many computer related services.

State agencies have been working to correct the Y2K problem since as early as 1993. However, due to the complexity of the problem, it is possible that some Y2K problems will nevertheless be experienced.

### Joint and Several Liability:

In many cases where a plaintiff is injured, there is more than one defendant at fault. In such cases, the defendants will either be severally liable or jointly liable.

If the defendants are severally liable, each only pays for his or her share of the damages. For example, if defendants D and E cause \$100 worth of damage to the plaintiff, and D was 30 percent at fault and E was 70 percent at fault, D would pay \$30 and E would pay \$70.

If the defendants are jointly liable, they are each responsible for the total damage done to the plaintiff. In the example above, if D was somehow unavailable to be sued, E could be held liable for the entire \$100.

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### **Summary of Amended Bill:**

In an action against a state agency for damages caused by the Y2K problem, the state agency is severally liable only. The agency is also immune from liability for the first \$100 of damages per claimant. This does not apply to any action for damages arising from bodily personal injury, to wrongful death and survival actions, or to actions arising after December 31, 2003. "Agency" is defined to include a variety of state organizations, including electric cooperatives.

**Amended Bill Compared to Original Bill:** The original bill did not explicitly include electric cooperatives in the definition of "agency."

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Original bill) Both the federal and state governments have expended a great deal of resources to combat the Y2K problem. However, there is no guarantee that problems associated with the date change will not be experienced. The state should be held responsible for its share in the blame for any Y2K problems that may be experienced, but state funds should be protected to the extent that the state is not responsible. The portion of the bill exempting state agencies from the first \$100 of liability is a good start in addressing liability concerns.

**Testimony Against:** None.

**Testified:** Steve Kolodney, Department of Information Services; Marsha Tadano Long, Department of General Administration; Victoria Lincoln, Association of Washington Cities; and Gina Seal, Y2K consultant.