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## SENATE BILL 5767

State of Washington 56th Legislature 1999 Regular Session

By Senators Finkbeiner and Oke

Read first time 02/08/1999. Referred to Committee on Judiciary.

- AN ACT Relating to immunity for businesses and state and local government agencies and their employees for harm caused by incorrectly calculated or interpreted dates associated with year 2000 date changes processed by electronic computing devices; adding a new section to chapter 4.24 RCW; creating a new section; and declaring an emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) It is the intent of the legislature 8 that:
- 9 (a) Businesses and agencies exercise reasonable care to prepare 10 electronic computing devices for which they are responsible to continue 11 normal operation after the year 2000;
- 12 (b) Citizens and clients of agencies continue to receive 13 statutorily mandated services, entitlements, and compensation delivered 14 through electronic computing devices without interruption through and 15 after the year 2000; and
- 16 (c) Vendors and contractors providing goods and services to 17 agencies continue to receive payment for same without interruption 18 through and after the year 2000.

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- 1 (2) However, the legislature recognizes that preparing business' 2 and agencies' electronic computing devices for year 2000 readiness is 3 a complex and difficult challenge, and that even reasonable care 4 practices may result in some failures of these devices.
- 5 (3) In the event of such failures, it is the intent of the 6 legislature that affected citizens, clients, vendors, and contractors 7 have recourse to existing administrative or contractual remedies to 8 obtain redress but not otherwise compensate them for consequences of 9 the failure.
- 10 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 4.24 RCW 11 to read as follows:
- 12 (1) As used in this section:
- 13 (a) "Agency" means any state or local government or any subdivision thereof, including any board, commission, 14 bureau, committee, department, institution, division, or tribunal in the legislative, 15 executive, or judicial branch, including elective and legislative 16 offices, institutions of higher education created and supported by 17 18 state government, counties, cities, towns, special purpose districts, 19 local service districts, municipal corporations, quasi-municipal corporations, and political subdivisions of such agencies and 20 21 corporations.
- (b) "Business" means any business entity, including a sole proprietorship, corporation, partnership, or other legal entity.
- 24 (c) "Electronic computing device" means any computer hardware or 25 software, computer chip, embedded chip, process control equipment, or other information system used to capture, store, manipulate, or process 26 data, or that controls, monitors, or assists in the operation of 27 physical apparatus that is not primarily used as a computer, but that 28 29 relies on automation or digital technology to function, including but not limited to vehicles, vessels, buildings, structures, facilities, 30 elevators, medical equipment, traffic signals, factory machinery, and 31 the like. 32
- 33 (d) "Indirect or consequential damages" means any harm, loss, 34 damage, or mental injury of any nature whatsoever other than goods, 35 entitlements, services, or compensation that businesses and agencies 36 are by contract, statute, or rule obligated to provide.
- 37 (2) No action may be brought against a business, its officers or 38 directors, its employees, or an agency or its employees for indirect or

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- 1 consequential damages caused in whole or in part by computational or
- 2 interpretive errors generated by an electronic computing device owned,
- 3 controlled, or operated by a business or an agency and arising out of 4 or in connection with the year 2000 date change.
- 5 (a) A business, its officers, directors, or employees or an agency 6 or its employees may not be held liable in any other action whether

based in tort, contract, or otherwise for such damages.

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errors.

- 8 (b) This subsection does not prohibit an action otherwise permitted 9 by law for such damages if the claimant proves with clear and 10 convincing evidence that the damages were caused by the business' or 11 agency's willful failure to attempt to find and correct any such
- 13 (c) This section does not apply to human physical injuries that may 14 occur or be exacerbated as a result of a year 2000 error.
- 15 (3) Nothing in this chapter may be interpreted to interfere with 16 contractual rights, obligations, duties, or warranties of private 17 vendors supplying electronic computing devices to agencies. In the 18 event of an agency's or contractor's failure to perform contractual 19 obligations due to computational or interpretive errors associated with 19 the year 2000 date change, the remedies available to the parties shall 19 be as set forth in their written contract.
- (4) Nothing in this section may be interpreted to interfere with 22 23 rights to receive statutorily mandated citizens' 24 entitlements, or compensation from agencies. In the event of an 25 failure to deliver such services, entitlements, 26 compensation due to computational or interpretive errors associated with the year 2000 date change, the remedies available to the citizen 27 or client shall be the existing administrative procedures or remedies 28 provided by law, except as expressly limited by this section. 29
- NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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