S-2016.2			

SUBSTITUTE SENATE BILL 6035

State of Washington 56th Legislature 1999 Regular Session

By Senate Committee on Judiciary (originally sponsored by Senator Swecker)

Read first time 03/03/99.

- AN ACT Relating to the year 2000 citizens' protection act; adding
- 2 new sections to chapter 4.24 RCW; creating new sections; and providing
- 3 expiration dates.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 6 (a) Society is heavily reliant upon computers, technology, and the
- 7 rapid electronic transfer and exchange of accurate information and
- 8 data.
- 9 (b) Society relies heavily upon computer technology for most
- 10 aspects of daily living and business, including, but not limited to,
- 11 financial transactions.
- 12 (c) The rapid growth of technology has often outpaced the
- 13 capabilities of the electronic equipment, software, and hardware that
- 14 our society utilizes for the exchange and transfer of data and other
- 15 information.
- 16 (d) Recently developed computer technology is the operational basis
- 17 for much of our current hardware and software, and this technology may
- 18 not recognize the year 2000 date change.

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- (e) If computer technology fails to recognize the year 2000 date change, many computer-based systems may fail or cause incorrect data or other information to be processed. This potentially world-wide deficiency in computers is often referred to as the "Y2K bug" and may cause significant problems in the transfer and exchange of data and information in the year 2000 and beyond.
- 7 (2) The legislature determines that in order to protect the 8 citizens of the state of Washington, it is appropriate to limit their 9 liability against adverse financial ramifications resulting from year 10 2000 failures associated with electronic computing devices.
- 11 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 4.24 RCW 12 to read as follows:
- The definitions in this section apply throughout this act unless the context clearly requires otherwise.
- 15 (1) "Electronic computing device" means any computer hardware or 16 software, computer chip, embedded chip, process control equipment, or 17 other information system that:
- 18 (a) Is used to capture, store, manipulate, or process data; or
- (b) Controls, monitors, or assists in the operation of physical apparatus that is not primarily used as a computer but that relies on automation or digital technology to function, including, but not limited to, vehicles, vessels, buildings, structures, facilities, elevators, medical equipment, traffic signals, and factory machinery.
 - (2) "Year 2000 failure" means:

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- (a) With respect to an electronic computing device, a failure, including an electrical or telecommunications failure, that prevents such electronic computing device from accurately interpreting, producing, computing, generating, accounting for, processing, calculating, comparing, or sequencing date or time data from, into, or between the years 1999 and 2000, or with regard to leap year calculations; or
- 32 (b) An inability of a business to perform an intended or requested 33 function because of the system failure of an outside party, including, 34 but not limited to, the failure of a governmental body to provide data, 35 transportation delays, energy failures, or communication failures.
 - (3) This section expires December 31, 2006.

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NEW SECTION. Sec. 3. A new section is added to chapter 4.24 RCW to read as follows:

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- (1) A person has an affirmative defense to any claim or action, based on a contract, brought against the person if he or she establishes that the default, failure to pay, breach, omission, or other violation that is the basis of the claim against him or her was caused, in whole or in part, by a year 2000 failure associated with an electronic computing device, and, if it were not for the year 2000 failure, the person would have been able to satisfy the contractual obligation that was the basis of the claim.
- 11 (2) If an affirmative defense as set forth in subsection (1) of 12 this section is established, then the person or entity making the claim 13 may not reassert the claim against which the affirmative defense was 14 asserted for a period of thirty days from the date on which the court 15 dismissed the case as a result of the affirmative defense. Any statute 16 of limitations applicable to the claim shall be tolled for forty-five 17 days upon the dismissal of the case under this section.
- 18 (3) This section may not affect those transactions upon which a 19 default has occurred before any disruption of financial or data 20 transfer operations attributable to the year 2000 date change.
 - (4) The dismissal of an action as the result of the affirmative defense under this section does not impair, extinguish, discharge, satisfy, or otherwise affect the underlying obligation that is the basis of the claim against which the affirmative defense was asserted. However, the inability of a party to bring the claim based upon the obligation is delayed as set forth in subsection (2) of this section.
 - (5) A person who has established an affirmative defense as set forth in subsection (1) of this section may dispute directly with a credit reporting agency operating in this state any item of information in the individual's consumer file relating to the subject of the affirmative defense. If requested by the individual under this subsection (5), the credit reporting agency shall include a statement of no more than one hundred words in the individual's consumer file if either the statement is an explanation regarding an item of information that the consumer reporting agency denies is inaccurate or if the statement concerns the content of the individual's consumer file. The credit reporting agency may not charge the individual a fee for the inclusion of this statement in the individual's consumer file.
 - (6) For the purposes of this section, "person" means an individual.

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- 1 (7) This section applies only to causes of action that arise on or 2 after January 1, 2000.
- 3 (8) This section expires December 31, 2006.
- 4 <u>NEW SECTION.</u> **Sec. 4.** This act shall be known and cited as the 5 year 2000 citizens' protection act.

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