

LRB or Bill No./Adm. Rule No.
 AB 19 (99-0389/1)
 Amendment No. if Applicable

FISCAL ESTIMATE
 DOA-2048 N(R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject
 Recovery of Damages In Actions Against State and Local Governmental Units In Year 2000 Failures

Fiscal Effect
 State: No State Fiscal Effect
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

<input type="checkbox"/> Increase Existing Appropriation	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Decrease Existing Appropriation	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriation		

Decrease Costs

Local: No local government costs

1. Increase Costs Permissive <input type="checkbox"/> Mandatory 2. <input checked="" type="checkbox"/> Decrease Costs Permissive <input checked="" type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: X Towns x Villages x Cities X Counties x Others (Special Purpose Districts) <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	Affected Ch. 20 Appropriations
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Assumptions Used in Arriving at Fiscal Estimate

This bill provides that no person may recover any damages against a state or governmental unit, or any officer, employee or agent thereof, for any act or omission caused by the failure of an electronic computing device that is under its control to recognize, process, distinguish or interpret the year 2000 or a subsequent year. It also provides that state and local governments are not required to pay interest to vendors on late payments which result from a year 2000 failure, as provided in this bill.

This bill is likely to result in a cost decrease for the Department of Commerce due both to the immunity provision outlined above and to the provision which provides that the Department not pay interest on late payments due to year 2000 failures. It is not possible to provide any estimate of the potential cost decrease because it is difficult to project the number of instances in which the year 2000 issues identified above, including situations involving late payments, will arise and affect the Department.

This bill is also likely to result in a cost decrease for local governments due also both to the immunity provision outlined above and to the provision which provides that local governments not pay interest on late payments due to year 2000 failures. It is not possible to provide any estimate of the potential cost decrease because it is difficult to project the number of instances in which the year 2000 issues identified above, including situations involving late payments, will arise and affect local governments.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.) Commerce	Authorized Signature/Telephone No.  Louis Cornelius/266-8629	Date 1/25/99 January 25, 1999
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