

**FISCAL ESTIMATE**

ORIGINAL       UPDATED)

DOA-2048 (R10/92

CORRECTED       SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.  
Assembly Bill 19      (99-0389/1)

Amendment No. If Applicable

**Subject: Recovery of damages in actions against state and local governmental units caused by the incorrect interpretation, production or use of dates in the year 2000 and subsequent years**

**Fiscal Effect Indeterminable**

State:  No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation       Increase Existing Revenues
- Decrease Existing Appropriation       Decrease Existing Revenues
- Create New Appropriation

- Increase Costs-May be possible to Absorb  
Within Agency's Budget       Yes       No
- Decrease Costs

Local:  No local government costs

- 1.  Increase Costs  
 Permissive       Mandatory
- 2.  Decrease Costs  
 Permissive       Mandatory

- 3.  Increase Revenues  
 Permissive       Mandatory
- 4.  Decrease Revenues  
 Permissive       Mandatory

5. Types of Local Governmental Units Affected:
- Towns       Villages       Cities
  - Counties       Others \_\_\_\_\_
  - School Districts       WTCS Districts

**Fund Sources Affected**

GPR       FED       PRO       PRS       SEG       SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate**

This bill provides that no person may recover damages against any state or local government unit, including a state authority, or any officer, employee or agent thereof, for any act or omission caused by the failure of an electronic computing device that is under the control of such a unit, officer, employee to recognize, process, distinguish or interpret the year 2000 or a subsequent year or the failure of an electronic computing device to produce, generate or calculate a correct date if the year 2000 or a subsequent year is part of that date. The bill also provides that any contract entered into on or after the day on which the bill becomes law that contains a contrary provision is void. In addition, the bill provides that the state and local governments are not required to pay interest to vendors on late payments arising from a "year 2000" (Y2K) failure described above.

Because the proposal does not allow persons to recover damages against the department or local government units for computer problems associated with the year 2000, future costs relating to Y2K lawsuits will be averted. These potential costs are unknown and indeterminable.

**Long-Range Fiscal Implications**

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Date

1-28-99