

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

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HOUSE BILL 1036*

Short Title: State IT Contracts/Contractor Liability. (Public)

Sponsors: Representative Saine.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Judiciary I

May 5, 2016

A BILL TO BE ENTITLED

AN ACT SETTING THE LIMITS OF CONTRACTOR LIABILITY UNDER STATE
INFORMATION TECHNOLOGY PROCUREMENT CONTRACTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143B-1350 is amended by adding a new subsection to read:

"(h1) All contracts subject to the provisions of this Part shall include a limitation on the contractor's liability for damages arising from any cause whatsoever, regardless of the form of action, of no more than two times the value of the contract. The limitation shall specifically include, but not be limited to, the contractor's liability for damages and any other losses relating to the loss of, unauthorized access to, or unauthorized disclosure of data. The limitation of liability required by this subsection shall not be required to apply to liability of the contractor for intentional or willful misconduct, damage to tangible personal property, or physical injuries to persons."

SECTION 2. This act is effective when it becomes law and applies to contracts entered into on or after that date.

