

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0892-01  
Bill No.: SCS for SB 182  
Subject: Agriculture Dept.; Insurance - General; Licenses - Professional  
Type: Original  
Date: March 9, 2005

---

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials with the **Department of Insurance** assume no fiscal impact to their agency.

Officials with the **Department of Agriculture - Division of Weights and Measures** estimates this proposal would impact approximately 2000 businesses required to register under the provisions of Chapter 323. Each entity would be required to submit an initial certificate of insurance or other proof of self-insurance to the Department of Agriculture. The Department of Agriculture estimates the need for a temporary part-time clerical person to file certificates of insurance and ensure that ll registered entities are in compliance.

**Oversight** assumes funding for additional staffing should be requested through the normal budgetary process.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal would impact HVAC service and repair businesses that are required to register under the provisions of Chapter 323. It could be a burden to require these businesses to purchase \$1 million of liability insurance.

DESCRIPTION

This act exempts persons who only sell liquefied petroleum gas in containers having a capacity of 50 pounds or less that have been filled by another person to be registered with the Department of Agriculture from the registration requirements of Section 323.060.

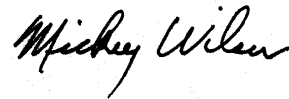
Under this act, persons registered to sell liquefied petroleum gas must demonstrate financial responsibility for compensating third parties for bodily injury and property damage caused by the release of liquefied petroleum gas. The minimum amount of financial responsibility shall be \$1,000,000 per occurrence with an annual aggregate of \$2,000,000. The person may demonstrate insurance either by self insurance. The person may also demonstrate financial responsibility by obtaining a liability insurance policy or an endorsement to an existing policy issued by an insurance company authorized to do business in Missouri. The policy or endorsement must require that the insurance company with notify the Department of Agriculture if the policy is cancelled. The insurance requirements have an effective date of January 1, 2006.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 0892-01  
Bill No. SCS for SB 182  
Page 4 of 4  
March 9, 2005

SOURCES OF INFORMATION

Department of Agriculture  
Department of Insurance

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial 'M' and a long, sweeping tail.

Mickey Wilson, CPA  
Director  
March 9, 2005