

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0892-03
Bill No.: Truly Agreed to and Finally Passed HCS for SCS for SB 182
Subject: Agriculture Dept.; Insurance - General; Licenses - Professional
Type: Original
Date: May 16, 2005

FISCAL SUMMARY

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

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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

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

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** assume this proposal would exempt persons who only sell liquefied petroleum gas (lpg) in containers with a capacity of less than 50 gallons from registration requirements. Every person who engages in the business of selling at retail of lpg or in the business of handling or transportation of lpg is required to demonstrate financial responsibility for compensating third parties for injury or property damage caused by the release of lpg. The Department of Agriculture will be responsible for maintaining a copy of the certificate of insurance or acceptable form of self insurance. Insurance companies would be required to notify the Department of Agriculture about amendments to or cancellation of insurance certificates. The Department of Agriculture would have the authority to request to examine or copy the insurance policy, any relevant endorsements, or certificates of insurance. The Department of Agriculture may promulgate regulations relating to acceptable forms of self insurance.

<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

No direct fiscal impact to small businesses would be expected as a result of this proposal.

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.

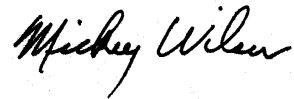
Under this act, persons registered to sell liquefied petroleum gas must demonstrate financial responsibility for compensating third parties for bodily injury and property damage caused by the release of liquefied petroleum gas. The minimum amount of financial responsibility shall be \$1,000,000 per occurrence 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. 0892-03
Bill No. Truly Agreed to and Finally Passed HCS for SCS for SB 182
Page 4 of 4
May 16, 2005

SOURCES OF INFORMATION

Department of Agriculture
Department of Insurance



Mickey Wilson, CPA
Director
May 16, 2005