

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4693-04  
Bill No.: HCS for SS for SCS for SB 657  
Subject: Liability; Motor Fuel  
Type: Original  
Date: April 11, 2016

---

Bill Summary: This proposal modifies provisions relating to liability for the use of incompatible motor fuel.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on General Revenue</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

In response to a previous version, officials at the **Department of Natural Resources (DNR)** assumed the proposal would not have a fiscal impact on their organization.

DNR also stated the Missouri Petroleum Storage Tank Insurance Fund (PSTIF) Board of Trustees assume this proposal would not have a fiscal impact on their organization.

In response to a previous version, officials at the **Office of Administration - Facilities Management, Design and Construction** assumed the proposal would not have a fiscal impact on their organization.

In response to a previous version, officials at the **Department of Insurance, Financial Institutions, and Professional Registration** assumed the proposal would not have a fiscal impact on their organization.

In response to a previous version officials at the **Department of Agriculture** assumed the proposal would not have an impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

Small businesses fuel owners and operators could be affected by this proposal.

### FISCAL DESCRIPTION

PETROLEUM STORAGE TANK INSURANCE FUND (Sections 319.114 & 414.036) - Under this act, an owner or operator shall not be denied benefits by the Petroleum Storage Tank Insurance Fund if their claim arises from a release of motor fuel or a regulated petroleum substance that is incompatible with the motor fuel underground or aboveground storage tank system, except in cases of fraud on the application for coverage.

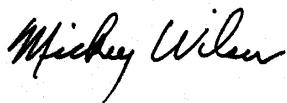
MOTOR FUEL LIABILITY (Section 414.255) - Under this act, no refiner, supplier, terminal, wholesaler, distributor, retailer, or other vendor of motor fuel that is blended with ethanol or renewable fuel that complies with motor fuel quality and labeling laws shall be liable for property damages related to a customer's purchase of such motor fuel so long as the selection of motor fuel was made by the customer and not the vendor. No motor fuel that is blended with ethanol shall be considered a defective product for purposes of property damage claims.

Under this act, auto dealers and manufacturers shall not be liable for property damages related to a customer's purchase of motor fuel blended with renewable fuels if the selection and purchase of the motor fuel was made by the customer and does not comply with specific fuel recommendations found in the vehicle owner manual.

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

### SOURCES OF INFORMATION

Office of Administration - Facilities Management, Design and Construction  
Department of Natural Resources  
Missouri Petroleum Storage Tank Insurance Fund  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Agriculture  
Office of Attorney General



Mickey Wilson, CPA  
Director

Ross Strobe  
Assistant Director

L.R. No. 4693-04  
Bill No. HCS for SS for SCS for SB 657  
Page 5 of 5  
April 11, 2016

April 11, 2016

April 11, 2016