

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5946-02
Bill No.: SB 1
Subject: Civil Procedure; Business and Commerce; Emergencies; Health Care; Health Care Professionals; Public Health; Hospitals; Liability; Medical Procedures and Personnel
Type: Original
Date: November 23, 2020

Bill Summary: This proposal modifies provisions relating to civil actions arising during a declared state of emergency.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on General Revenue*	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>Other</u> State Funds*	\$0	\$0	\$0

***Oversight assumes the proposal would not have a direct fiscal impact, but could result in potential indirect savings by limiting liability through civil actions.**

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on FTE	0	0	0

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Office of the Director, Department of Public Safety - Missouri State Emergency Management Agency, the Department of Health and Senior Services, the Department of Commerce and Insurance and the Office of the Governor** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of Administration - General Services Division** state this legislation seeks to limit liability for premises owners from damages due to exposure claims. This legislation could result in potential savings to the Legal Expense Fund for claims against the state as a premises owner if those claims would be covered under the Legal Expense Fund.

The amount of the potential savings resulting from this legislation cannot be reasonably estimated as this language appears to create a new legal standard, subject to judicial interpretation. In addition, the number of potential claims, the severity of those claims, and the ultimate costs associated with any judgment resulting from those claims cannot be forecasted with any degree of assurance to their accuracy.

The state self-assumes its own liability under the state Legal Expense Fund, Section 105.711 RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state when there is a waiver of sovereign immunity or against employees and specified individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

Oversight assumes the proposal would not have a direct fiscal impact on state government agencies or on local political subdivisions. Oversight assumes the proposal could have indirect positive benefits to certain government-owned entities (hospitals and nursing homes) by reducing the threat of civil action during a declared state of emergency.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (7 Mo.)	FY 2022	FY 2023
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2021
(7 Mo.)

FY 2022

FY 2023

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal could impact small businesses by reducing civil actions against them.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

The proposed legislation contains an emergency clause.

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

Department of Public Safety
Department of Public Safety - Missouri State Emergency Management Agency
Office of the Governor
Department of Health and Senior Services
Office of the Attorney General
Department of Commerce and Insurance
Office of Administration



Julie Morff
Director
November 23, 2020

Ross Strope
Assistant Director
November 23, 2020