

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0408S.02I  
Bill No.: SB 42  
Subject: Civil Procedure; Business And Commerce; Emergencies; Health Care; Health  
Care Professionals; Health, Public; Hospitals; Liability; Medical Procedures And  
Personnel  
Type: Original  
Date: December 17, 2020

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Bill Summary: This proposal modifies provisions relating to civil actions arising during a  
declared state of emergency due to Covid-19.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</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 2022</b>	<b>FY 2023</b>	<b>FY 2024</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.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Attorney General's Office**, the **Department of Health and Senior Services**, and the **Department of Public Safety – Office of the Director** each assume the proposal will have no fiscal impact on their respective organizations. In response to a similar proposal (SB1 from the 2020 Second Extraordinary Session), officials from the **Department of Public Safety - State Emergency Management Agency**, and the **Department of Commerce and Insurance** also assumed the proposal would not fiscally impact their respective agencies.

Also in response to SB1 from the 2020 Second Extraordinary Session, officials from **Officials from the Office of Administration - General Services Division** stated 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.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

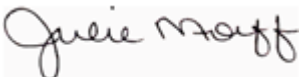
The proposed legislation appears to have no direct fiscal impact.

This proposal contains an emergency clause.

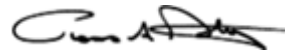
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety - 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  
December 17, 2020



Ross Strobe  
Assistant Director  
December 17, 2020