

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3170S.01I
Bill No.: SB 826
Subject: Civil Procedure; Liability
Type: Original
Date: April 7, 2025

Bill Summary: This proposal modifies provisions relating to determinations of fault in tort actions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

*Unknown OSCA costs to implement. Cost is estimated to be less than \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§537.067 – Determinations of Fault in Tort Actions

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Oversight contacted the AGO to inquire if this proposal would have any impact on the Tort Victims Compensation Fund (TVCF). The AGO assumes there will be no additional impact to the TVCF from this proposal.

Officials from the **Office of Administration - Budget and Planning**, the **Department of Natural Resources**, the **Department of Labor and Industrial Relations**, the **Missouri Department of Transportation**, the **Office of the State Public Defender** and the **Missouri Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from 2022, SB 821, officials from the **Office of State Courts Administrator (OSCA)** stated there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Oversight also notes the following chart below represents the number of tort cases over the last 5 years.

	Tort Cases	Tort Cases	Tort Cases	Tort Cases	Tort Cases	5 Year Average
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>Average</u>
Asbestos	169	190	263	279	267	234
Employment Discrimination	592	527	610	691	777	639
Personal Injury Vehicular	4,241	3,887	4,397	4,660	4,443	4,326
Personal Injury Fed-Empt Liability	37	34	52	35	46	41
Personal Injury Malpractice	427	484	507	529	569	503
Personal Injury Product Liability	9,251	5,738	2,045	2,704	596	4,067
Personal Injury Other	2,104	1,884	1,981	2,149	2,137	2,051
Property Damage	1,532	1,561	1,551	1,776	2,223	1,729
Wrongful Death	764	771	703	752	684	735
Tort Damages	-	-	-	-	-	-
JIS Other	-	-	-	-	-	-
Public Accommodation	30	20	25	15	26	23
Bulk Damages	10	15	13	11	14	13
Other Tort Cases	1,812	2,248	2,444	2,113	2,483	2,220
TOTAL	20,969	17,359	14,591	15,714	14,265	16,580

Source: Tables 27 & 33 of OSCA's Annual Judicial & Statistical Report Supplement

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
Cost – implementation determinations of fault in tort actions - §537.067	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Small businesses involved in civil actions involving a product could be impacted as a result of this proposal.

FISCAL DESCRIPTION

Currently, in all tort actions, a defendant who bears less than fifty-one percent of the fault shall only be liable for the percentage of the judgment for which the defendant is determined to be responsible. However, when a defendant bears fifty-one percent or more of the fault, current law provides that the defendant is jointly and severally liable for the judgment amount. This act repeals such provisions and provides that each defendant is liable only for the amount of damages in direct proportion to that defendant's percentage of fault. Additionally, if a plaintiff is found to bear fifty-one or more of the percentage of fault, then that plaintiff shall not be entitled to recovery.

The trier of fact shall calculate the total amount of damages and the percentage of fault of all persons who contributed to a plaintiff's injury. The assessments and findings of fact regarding the fault of a nonparty shall only be used for the determination of the fault of the named parties and not as evidence of liability in any action.

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 the State Courts Administrator
Attorney General's Office
Office of Administration
 Budget and Planning
Department of Natural Resources
Department of Labor and Industrial Relations
Missouri Department of Transportation
Office of the State Public Defender
Missouri Office of Prosecution Services



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April 7, 2025



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