

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5680S.01I
Bill No.: SB 980
Subject: Attorneys; Crimes and Punishment; Department of Labor and Industrial Relations;
Liability; Department of Public Safety; Victims of Crime
Type: Original
Date: January 28, 2026

Bill Summary: This proposal modifies provisions relating to state funds compensating certain injured persons.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Tort Victims' Compensation Fund (1622)*	(\$139,574) to Unknown	(\$156,185) to Unknown	(\$158,656) to Unknown
Crime Victims' Compensation Fund (1681)**	Unknown	Unknown	Unknown
Total Estimated Net Effect on Other State Funds	(\$139,574) to Unknown	(\$156,185) to Unknown	(\$158,656) to Unknown

*Oversight reflects the cost for 2 FTE for DOLIR and a cost avoidance in attorney fees.

**Oversight reflects the cost avoidance from a reduction in attorney fees and increased eligibility requirements. Each provision could exceed the \$250,000 threshold.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Tort Victims' Compensation Fund (1622)	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
Total Estimated Net Effect on FTE	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE

- ☐ 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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Attorney General's Office** did not respond to **Oversight's** request for fiscal impact for this proposal.

§§ 537.675, 537.684 – Tort Victims' Compensation Fund

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume the proposed legislation creates a new criteria for someone to be eligible for benefits from the Tort Victims' Compensation Fund and an additional duty upon the Department of Labor to verify such. The volume of claims for benefits from the Tort Victims' Compensation Fund has varied drastically over time. The ability to absorb the additional eligibility verification would be dependent upon the number of claims received in any given year and the extent of work verifying compliance with the eligibility requirements for each respective claim creates. The Division would likely need up to two additional Senior Risk/Claims Technician to assist in verifying claimant eligibility.

Oversight will reflect DOLIR's estimated impact for up to 2 Senior Risk/Claims Technician at \$39,132 annually for this agency.

Oversight notes the Division of Workers' Compensation manages, evaluates, and processes claims against the fund. Revenue, for the Tort Victims' Compensation Fund (TVCF), is generated from 50% of collected punitive damage awards in Missouri, though it has historically fluctuated based on the number of large punitive awards.

Based on information from the [Department of Labor's website](#), Oversight notes the following:

There were 455 claims filed during the 2021 annual claims period and awards were issued for 332 claims. The aggregated total of the awarded amounts for the 332 claims was \$72,915,000. The Fund balance was sufficient to pay them in full. The Division mailed the payments by September 30, 2022.

There were 2,118 claims filed during the 2022 annual claims period and awards were issued for 1,748 claims. The aggregated total of the awarded amounts for the 1,748 claims was \$148,450,000. The available appropriation allowed for a 40% pro rata payment. The Division mailed the payments by September 30, 2023.

There were over 2,545 claims filed during the 2023 annual claims period. Claims are pending and under review.

Oversight notes the proposal caps the award for attorney's fees at 15% of the amount awarded. Therefore, Oversight will reflect potential savings to the TVCF.

Based on the claims awarded in 2021 (\$72,915,000), Oversight notes that if the 15% cap resulted in a savings of 1% in attorney's fees (valued as a percentage of the total claims), this would result in a savings of \$729,150. Therefore, Oversight will reflect an unknown savings in attorney fees that would potentially exceed \$250,000 annually to TVCF in the fiscal note.

§§595.010, 595.040, and 595.045 – Crime Victims' Compensation Fund

Officials from the **Department of Public Safety – Director's Office** assume the proposal will have no fiscal impact on their organization. Proposed changes could decrease the number of crime victims assisted.

Oversight notes that currently attorneys representing the victims of crime are allowed to receive up to 15% of the amount subrogated to the department in attorney fees. This legislation would lower the fee to 10%. Therefore, Oversight will reflect a savings to the Crime Victims' Compensation Fund (CVCF) in the fiscal note.

Additionally, Oversight assumes this proposal modifies eligibility requirements for payments from the Crime Victims' Compensation Fund which could reduce the number eligible for payment. Therefore, Oversight will show an unknown savings to the CVCF.

Responses regarding the proposed legislation as a whole

Officials from the **Office of Administration - Administrative Hearing Commission, MoDOT & Patrol Employees' Retirement System, Office of the State Courts Administrator, Department of Public Safety – Director's Office, and Office of Administration** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **City of O'Fallon, City of Branson Police Department, and Saint Louis County Police Department** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these respective organizations.

Officials from **Eastern Clay Ambulance District** assume the proposal will have a fiscal impact on their organization but did not provide any additional information.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to

publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
TORT VICTIM COMPENSATION FUND (1622)			
<u>Cost Avoidance</u> – (§537.684.4) Attorney fees not to exceed 15% of amount awarded to claimant p.4	Unknown	Unknown	Unknown
<u>Cost</u> – DOLIR (§§ 537.675, 537.684, 595.010, 595.040, & 595.045) p.3	Up to...	Up to...	Up to...
Personnel Service	(\$65,220)	(\$79,829)	(\$81,426)
Fringe Benefits	(\$53,458)	(\$64,779)	(\$65,421)
Expense & Equipment	(\$20,896)	(\$11,577)	(\$11,809)
<u>Total Costs</u> – DOLIR	<u>(\$139,574)</u>	<u>(\$156,185)</u>	<u>(\$158,656)</u>
FTE Change - DOLIR	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
ESTIMATED NET EFFECT ON TORT VICTIM COMPENSATION FUND (1622)	<u>(\$139,574) to Unknown</u>	<u>(\$156,185) to Unknown</u>	<u>(\$158,656) to Unknown</u>
Estimated Net FTE Change on General Revenue	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
CRIME VICTIM COMPENSATION FUND (1681)			
<u>Cost Avoidance</u> – (§595.010) Modified eligibility requirements p.4	Unknown	Unknown	Unknown
<u>Cost Avoidance</u> – (§595.040.3) Attorney fees reduced from 15% to 10% p.4	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON CRIME VICTIM COMPENSATION FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act modifies the Tort Victims' Compensation Fund by providing that in addition to the current requirements, an uncompensated tort victim shall be a person who is a United States citizen or a lawful permanent resident or who holds a lawful visa issued by the United States Department of State. The Department of Labor and Industrial Relations shall verify eligibility requirements prior to the authorization of any payment from the Fund.

Additionally, this act provides that an administrative law judge may, as part of any award, determine and allow reasonable attorney's fees, but such fees shall not exceed 15% of the amount awarded to the claimant. No attorney shall ask for, contract for, or receive any sum larger than the amount allowed.

This act additionally modifies those injured victims eligible for payment from the Crime Victims' Compensation Fund. Eligible injured victims are persons who, at the time of application for compensation from the Crime Victims' Compensation Fund, are:

- (1) A United States citizen, a lawful permanent resident, or a person lawfully present under a valid visa issued by the United States Department of State; and
- (2) Killed or suffers personal physical injury in Missouri as a result of the commission or attempted commission of any crime by another person; a good-faith attempt to assist a person against whom a crime is being committed or attempted; or assisting a law enforcement officer in the apprehension of a person believed by the officer to have committed or attempted to commit a crime.

The Department of Public Safety shall verify eligibility requirements prior to the authorization of any payment from the Fund.

This act also modifies the amount of attorneys' fees that may be awarded from 15% to 10% of the amount subrogated to the Department of Public Safety from the claimant's legal proceeding related to the crime.

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 Labor and Industrial Relations
Office of Administration - Administrative Hearing Commission
MoDOT & Patrol Employees' Retirement System
Office of Administration
Office of the State Courts Administrator
Department of Public Safety – Director's Office
City of O'Fallon
City of Branson Police Department
Saint Louis County Police Department
Eastern Clay Ambulance District



Julie Morff

Director

January 28, 2026



Jessica Harris

Assistant Director

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