

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1021-01
Bill No.: SB 253
Subject: Property, Real and Personal: Contracts and Contractors
Type: Original
Date: January 30, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation (MoDOT)** assume the proposed legislation may increase the incidence and cost of construction-related litigation and judgments; however, the long-range fiscal impact on MoDOT is impossible to predict. Overall, MoDOT officials do not expect the proposal to have a significant fiscal impact on their agency.

Officials from the **Office of the State Courts Administrator**, the **Department of Natural Resources**, the **Department of Corrections** and the **Department of Conservation** assume the proposal would have no fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal would revise the statute of limitations and add economic loss damages for home improvements. The 10-year statute of limitations would remain the same. Currently, the time period begins to run at completion of the improvement. However, "completion" is not currently defined in the statute. This proposal would change the starting date of the time limit to "substantial completion" and set forth a definition for substantial completion. The proposal would also add economic loss to the list of damages restricted by the 10-year time limit.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

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Office of the State Courts Administrator
Department of Transportation
Department of Natural Resources
Department of Corrections
Department of Conservation

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
January 30, 2001