

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4044-01  
Bill No.: SB 1021  
Subject: Attorneys; Business and Commerce; Uniform Laws  
Type: Original  
Date: February 18, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
None			
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

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**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Office of the Attorney General** did not respond to our fiscal impact request.

Officials from the **Office of Administration – Division of Personnel, Department of Labor and Industrial Relations, Department of Conservation, Secretary of State’s Office,** and the **Office of the State Courts Administrator** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of Administration – Administrative Hearing Commission** anticipate the proposal would not significantly alter its caseload and therefore assumes no fiscal impact on their office.

Officials from the **Department of Transportation (DHT)** assume if a negligence action against DHT is arbitrated pursuant to Section 226.095, this proposal could lead to an additional award of attorney fees and other expenses which would have a negative fiscal impact on the department. DHT notes the actual amount of the impact would depend upon the number of cases in which attorney fees and other expenses are awarded and the amount of such awards.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

## DESCRIPTION

This proposal substantially revises the Uniform Arbitration Act (UAA) and is referred to as the Revised Uniform Arbitration Act (RUAA).

The revisions substantially redefine the process of arbitration and permit growth and change. The UAA contained provisions requiring a "paper" process whereas the RUAA envisions the ability to handle any or all aspects of the arbitration process electronically.

The scope of the RUAA is expanded to include areas not previously addressed by the UAA. These include:

- ▶ Arbitrability of causes of action (Section 435.027)
- ▶ Authority of arbitrators to grant pre-award orders (Section 435.031)
- ▶ The procedure for commencement of arbitration (Section 435.032)
- ▶ Consolidation of arbitration proceedings (Section 435.034)
- ▶ An arbitrator's required disclosure of potential conflicts (Section 435.038)
- ▶ The grant of immunity to arbitrators (Section 435.041)
- ▶ The ability of an arbitrator to hold a pre-conference (Section 435.043)
- ▶ The ability of an arbitrator to issue and enforce subpoenas (Section 435.047)
- ▶ The ability of an arbitration to order and set the scope of discovery (Section 435.047)
- ▶ Court enforcement of pre-award rulings (Section 435.049)
- ▶ The ability of the arbitrator to award attorney's fees and punitive damages if those remedies are authorized by civil action (Section 435.055);

Any agreements entered into after August 28, 2002, will be governed by the RUAA. Until August 28, 2004, agreements entered into prior August 28, 2002, may proceed under either the RUAA or the UAA. After August 28, 2004, all agreements will operate under the RUAA.

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

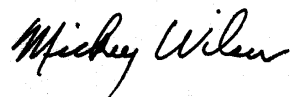
Office of Administration

KLR:LR:OD (12/01)

Division of Personnel  
Administrative Hearing Commission  
Department of Labor and Industrial Relations  
Department of Conservation  
Department of Transportation  
Secretary of State's Office  
Office of the State Courts Administrator

NOT RESPONDING

Office of the Attorney General



Mickey Wilson, CPA  
Acting Director

February 18, 2002