

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3371-01  
Bill No.: HB 1312  
Subject: Civil Rights; Courts; Employees-Employers  
Type: Original  
Date: February 18, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<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 2005	FY 2006	FY 2007
HUD Fund	(Less than \$380,581)	(Less than \$380,581)	(Less than \$380,581)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(Less than \$380,581)</b>	<b>(Less than \$380,581)</b>	<b>(Less than \$380,581)</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Office of Administration – Division of Personnel, Office of Administration – Administrative Hearing Commission, Department of Economic Development and Office of State Courts Administrator** assume this proposal would have no fiscal impact on their agencies.

In a similar proposal officials from the **Office of the Attorney General** assume this proposal would no fiscal impact on their agency.

Officials from the **Department of Transportation (MoDOT)** assume the number of lawsuits filed may increase due to this proposal. MoDOT states the fiscal impact is indeterminable, therefore it is \$0 to negative unknown.

**Oversight** assumes the potential for an increased number of lawsuits resulting from passage of the proposal is speculative and assigns no fiscal impact.

Officials from the **Department of Labor and Industrial Relations (DOL)** assume this proposal could place caps on civil actions in housing discrimination cases which could result in a loss of federal funds from the Department of Housing and Urban Development (HUD). The DOL states

ASSUMPTION (continued)

they received a response from HUD which clearly indicates that any caps on damages in housing complaints brought pursuant to section 213.111, RSMo., would lead to a loss of federal funds from HUD.

DOL notes this proposal attempts to address this problem, however, Section 213.111.6 which provides a statutory cap on punitive damages against state government and its subdivisions. DOL states in further discussion with the FHIP/FHAP Support Division at HUD, on 2/2/04, it was made clear that any statutory caps on damages including punitive damages would require a reevaluation of the Missouri Human Rights Act for substantial equivalence and lead to a quick loss of this status and the end of federal funding from HUD.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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**FEDERAL HUD FUND**

Loss – DOL

Potential Loss of Funding Due to Conformity Issue with Proposal	<u>(Less than</u> <u>\$380,581)</u>	<u>(Less than</u> <u>\$380,581)</u>	<u>(Less than</u> <u>\$380,581)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

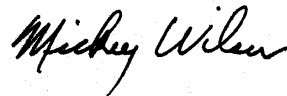
## DESCRIPTION

This bill limits the total damages (actual and punitive) that a plaintiff in an unlawful discriminatory action filed pursuant to Chapter 213, RSMo (Human Rights), may be awarded, depending upon the number of employees of the respondent. Housing-related actions, actions in which battery has been committed, and actions brought by the Attorney General are excluded from the damage caps. Punitive damages may not be awarded against the state or any of its political subdivisions. The bill also allows either party to demand a trial by jury.

This proposal 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 State Courts Administrator  
Attorney General's Office  
Office of Administration  
    – Administrative Hearing Commission  
    – Personnel  
Department of Transportation  
Department of Economic Development



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Director  
February 18, 2004