

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0568-01
Bill No.: HB 82
Subject: Liability; Motor Vehicles
Type: Original
Date: January 29, 2007

Bill Summary: The proposal changes the mitigation of damages for failure to wear a safety belt from no more than 1% to no more than 50%.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
State Legal Expense	More than \$100,000	More than \$100,000	More than \$100,000
Road	More than \$100,000	More than \$100,000	More than \$100,000
Total Estimated Net Effect on <u>Other</u> State Funds	More than \$200,000	More than \$200,000	More than \$200,000

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	More than \$100,000	More than \$100,000	More than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Attorney General, Office of Administration – Information Technology Services Division, – Administrative Hearing Commission, Department of Health and Senior Services, Department of Public Safety – Missouri State Highway Patrol, – Director’s Office,** and the **Department of Conservation** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of Administration – General Services Division (COA)** assume the proposed legislation has the potential for savings to the State Legal Expense. However, currently COA has no historical loss data on accidents involving the failure of plaintiffs to wear seatbelts.

The state self-assumes its own liability protection under the state legal expense fund, Section 105.711, RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General. The proposed legislation has the potential for savings to the state.

Oversight assumes the savings to the State Legal Expense fund has the potential of exceeding \$100,000 per fiscal year.

Officials from the **Department of Transportation (MoDOT)** assume the proposal would likely account for some amount of fiscal savings; however, the amount is unknown. The proposal could have a positive affect on the self-insurance plan for both fleet vehicle liability and general liability claims cost. MoDOT assumes the savings could exceed \$100,000 per fiscal year.

Oversight assumes cities and counties have the potential for a savings as a result of this proposal in the form of decreased insurance premiums due to decreased liability. Oversight assumes the statewide savings to cities and counties could exceed \$100,000 per fiscal year.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
STATE LEGAL EXPENSE FUND			
<u>Savings</u> – Office of Administration			
Reduced liability	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
ESTIMATED NET EFFECT ON STATE LEGAL EXPENSE FUND	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
ROAD FUND			
<u>Savings</u> – Department of Transportation			
Reduced liability	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
ESTIMATED NET EFFECT ON ROAD FUND	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
POLITICAL SUBDIVISIONS			
<u>Savings</u> – Cities and Counties			
Reduced insurance premiums	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>	<u>More than</u> <u>\$100,000</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Currently, a plaintiff's damage award may be reduced by no more than 1% if the plaintiff was not wearing a seat belt. The proposed legislation changes the percentage to no more than 50%.

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

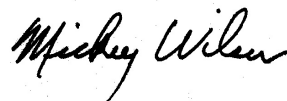
Office of the Attorney General
Office of Administration

- General Services Division
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- Administrative Hearing Commission

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Department of Health and Senior Services
Department of Public Safety

- Missouri State Highway Patrol
- Director's Office

Department of Conservation



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