

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3157-01  
Bill No.: HB 1428  
Subject: Motor Vehicle Licenses; Motor Vehicles; Law Enforcement Officers and Agencies  
Type: Original  
Date: March 12, 2008

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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**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	More than \$100,000	More than \$100,000	More than \$100,000
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
State Legal Expense	\$0	\$0	\$0
Road	More than \$100,000	More than \$100,000	More than \$100,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<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 FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Local Government</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>	<b>More than \$100,000</b>

## FISCAL ANALYSIS

### ASSUMPTION

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

In response to a similar proposal from the 2007 Session (HB 82, LR # 0568-01), officials from the **Office of the Attorney General** assumed the proposal would have no fiscal impact on their agency.

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

In response to a similar proposal from the 2007 Session (HB 82, LR # 0568-01), officials from the **Office of Administration – General Services Division (COA)** assumed 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. COA has reflected the savings to the General Revenue Fund, as General Revenue funds the State Legal Expense Fund.

**Oversight** assumes the savings to the General Revenue 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.

ASSUMPTION (continued)

In response to a similar proposal from the 2007 Session (HB 82, LR # 0568-01), officials from MoDOT assumed the savings could exceed \$100,000 per fiscal year. Therefore, Oversight assumes the savings to MoDOT could exceed \$100,000 per fiscal year.

Officials from the **Department of Conservation (MDC)** assume the proposal would appear to have a minimal fiscal impact on MDC funds.

**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 2009 (10 Mo.)	FY 2010	FY 2011
<b>GENERAL REVENUE FUND</b>			
<u>Savings – Office of Administration</u>			
Reduced transfers out to 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>
<b>ESTIMATED NET EFFECT ON</b>			
<b>GENERAL REVENUE FUND</b>	<u><b>More than</b></u> <u><b>\$100,000</b></u>	<u><b>More than</b></u> <u><b>\$100,000</b></u>	<u><b>More than</b></u> <u><b>\$100,000</b></u>

## STATE LEGAL EXPENSE FUND

Savings – Office of Administration  
 Reduced liability

More than  
\$100,000

More than  
\$100,000

More than  
\$100,000

Losses – Office of Administration  
 Decreased transfers in from General  
 Revenue Fund

(More than  
\$100,000)

(More than  
\$100,000)

(More than  
\$100,000)

**ESTIMATED NET EFFECT ON  
 STATE LEGAL EXPENSE FUND**

**\$0**

**\$0**

**\$0**

## ROAD FUND

Savings – Department of Transportation  
 Reduced liability

More than  
\$100,000

More than  
\$100,000

More than  
\$100,000

**ESTIMATED NET EFFECT ON  
 ROAD FUND**

**More than**  
**\$100,000**

**More than**  
**\$100,000**

**More than**  
**\$100,000**

FISCAL IMPACT - Local Government

FY 2009  
 (10 Mo.)

FY 2010

FY 2011

## LOCAL GOVERNMENT

Savings – Cities and Counties  
 Reduced insurance premiums

More than  
\$100,000

More than  
\$100,000

More than  
\$100,000

**ESTIMATED NET EFFECT ON  
 LOCAL GOVERNMENT**

**More than**  
**\$100,000**

**More than**  
**\$100,000**

**More than**  
**\$100,000**

### FISCAL IMPACT - Small Business

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

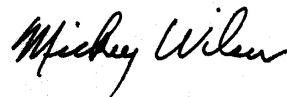
### FISCAL DESCRIPTION

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  
    – Administrative Hearing Commission  
Office of State Courts Administrator  
Department of Transportation  
Department of Health and Senior Services  
Department of Public Safety  
    – Director's Office  
    – Missouri State Highway Patrol  
Department of Conservation



Mickey Wilson, CPA  
Director

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