

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5471-01  
Bill No.: HB 2365  
Subject: Courts; Environmental Protection; Liability  
Type: Original  
Date: March 11, 2008

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Bill Summary: The proposal establishes the Asbestos and Silica Claims Priorities Act.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
General Revenue	Less than \$40,000	Less than \$40,000	Less than \$40,000
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>Less than \$40,000</b>	<b>Less than \$40,000</b>	<b>Less than \$40,000</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<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 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Federal	\$0	\$0	\$0
<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>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

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### **ASSUMPTION**

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration, Department of Natural Resources, Department of Health and Senior Services, Department of Public Safety – Director’s Office, and the – Missouri Veterans’ Commission** 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 **Department of Social Services (DOS)** assume the proposal creates the “Asbestos and Silica Claims Priorities Act,” which establishes criteria for civil claims arising out of exposure to asbestos or silica.

DOS states when Medicaid recipients receive personal injury settlements, the Division of Medical Services (DMS) is to be repaid for any expenditure related to the injury. In order to collect, DMS must assert a lien against the personal injury settlement. DMS is unable to determine the number of recipients exposed to asbestos or silica or the number of potential claims that would be pursued by Medicaid recipients. However, based on historical knowledge regarding the average cost recovery per claim, DMS assumes the fiscal impact due to increased recoveries would be less than \$100,000 per fiscal year (\$60,000 Federal Funds and \$40,000 General Revenue).

**Oversight** assumes the income in federal funds would be offset by an increase in costs in the form of program reimbursements.

Officials from the **Office of the Attorney General** did not respond to Oversight’s request for fiscal impact. However, in response to a similar proposal from the current session (HB 1850, LR # 4168-01), officials assumed the proposal would have no fiscal impact on their agency.

Officials from the **Department of Labor and Industrial Relations** did not provide a fiscal impact statement. However, in response to a similar proposal from the current session (HB 1850, LR # 4168-01), officials assumed the proposal would have no fiscal impact on their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<b>GENERAL REVENUE FUND</b>			
<u>Income</u> – Department of Social Services			
Recovery of personal injury settlements	<u>Less than</u> <u>\$40,000</u>	<u>Less than</u> <u>\$40,000</u>	<u>Less than</u> <u>\$40,000</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<u>Less than</u> <u>\$40,000</u>	<u>Less than</u> <u>\$40,000</u>	<u>Less than</u> <u>\$40,000</u>
<b>FEDERAL FUND</b>			
<u>Income</u> – Department of Social Services			
Recovery of personal injury settlements	Less than \$60,000	Less than \$60,000	Less than \$60,000
<u>Costs</u> – Department of Social Services			
Program reimbursements	<u>(Less than</u> <u>\$60,000)</u>	<u>(Less than</u> <u>\$60,000)</u>	<u>(Less than</u> <u>\$60,000)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<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.

### FISCAL DESCRIPTION

The proposal creates the “Asbestos and Silica Claims Priorities Act, which establishes criteria for civil claims arising out of exposure to asbestos or silica.

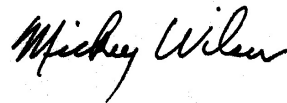
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Office of the Attorney General  
Office of State Courts Administrator  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Natural Resources  
Department of Health and Senior Services  
Department of Labor and Industrial Relations  
Department of Social Services  
Department of Public Safety  
    – Missouri Veterans’ Commission  
    – Director’s Office

### NOT RESPONDING

**Office of the Attorney General**



Mickey Wilson, CPA  
Director  
March 11, 2008