

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2279H.01I  
Bill No.: HB 1064  
Subject: Civil Procedure; Business And Commerce; Emergencies; Health Care; Health  
Care Professionals; Health, Public; Hospitals; Liability; Medical Procedures And  
Personnel  
Type: Original  
Date: March 8, 2021

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Bill Summary: This proposal establishes provisions relating to civil actions arising from  
COVID-19.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

§§537.1000, 537.1005, 537.1010, 537.1015, 537.1020, and 537.1035– Modifies provisions relating to civil actions arising from COVID-19

In response to a similar proposal, officials from the **Office of Administration, General Services Division** stated the provisions of this proposal address actions brought by individuals alleging injury due to exposure to COVID-19 during a specific state of emergency time period. This legislation could potentially save the state money for damages alleged against the state or other entities covered by the Legal Expense Fund alleging such injury. If such claims were successfully pursued, they could result in costs to the Legal Expense Fund. However, the amount of the potential savings resulting from this proposal cannot be reasonably estimated as this language creates new legal standards, subject to judicial interpretation, and there is no readily available information that could assist in forming a rational basis for estimating costs. In addition, the number of potential claims, the severity of those claims, and the ultimate costs associated with any settlement or judgment resulting from those claims cannot be forecasted with any degree of assurance to their accuracy.

Officials from the **Kansas City Health Department** stated the proposal would have an indeterminate fiscal impact on their organization. **Oversight** assumes the fiscal impact would be minimal and absorbable within current funding and staffing levels.

In response to similar legislation (Perfectured SS #2 SCS SBs 51 & 42), officials from the **City of Hale** state this proposal will have a fiscal impact on their organization. **Oversight** notes officials did not provide any information regarding whether the impact would be positive or negative or the potential amount of the impact.

In response to similar legislation (Perfectured SS #2 SCS SBs 51 & 42), officials from the **City of Mansfield** and **High Point R-III School District** stated this proposal would have a fiscal impact on their organizations. **Oversight** notes officials provided no information regarding the proposed fiscal impact to the city or the school district.

Officials from the **Springfield R-XII School District** state this proposal will have an unknown fiscal impact to their school district due to signage costs. **Oversight** assumes the fiscal impact would be minimal and absorbable within current funding levels.

Officials from the **University of Central Missouri (UCM)** anticipate a potential fiscal impact of an indeterminate amount.

Officials from **State Technical College of Missouri (STC)** state this proposal would have a positive fiscal impact on the STC. However, no amount can be estimated.

**Oversight** assumes there may be some savings related to limiting potential COVID-19 civil actions. However, there is no way to determine the number of civil actions that might be averted or whether there would be any actual savings. Therefore, potential future civil actions are assumed to be speculative. **Oversight** assumes, for fiscal note purposes, the provisions of this proposal will have no direct fiscal impact.

Officials from the **Attorney General's Office**, the **Department of Commerce and Insurance**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Social Services**, the **Missouri Office of Prosecution Services**, the **Office of the State Courts Administrator**, **Missouri State University**, the **St. Charles Community College**, the **City of Claycomo**, the **City of Corder**, the **City of Kansas City**, the **City of O'Fallon**, the **City of Springfield** and the **Newton County Health Department** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar provisions (Perfected SS #2 SCS SBs 51 & 42), officials from the **University of Missouri System**, **Northwest Missouri State University**, the **City of Houstonia**, the **St. Louis County Health Department** and the **Hermann Area Hospital District** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, various county officials, county health departments, nursing homes, schools, hospitals, and colleges and universities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

**Oversight** notes the provisions of this proposal contain an emergency clause.

<u>FISCAL IMPACT – State Government</u>	FY 2022	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

This proposal could positively impact small businesses by limiting potential COVID-related civil actions. (§§573.1005, 573.1010, 573.1015, 573.1020, and 573.1035)

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Attorney General's Office  
 Department of Commerce and Insurance  
 Department of Elementary and Secondary Education  
 Department of Higher Education and Workforce Development  
 Department of Health and Senior Services  
 Department of Mental Health  
 Department of Social Services  
 Missouri Office of Prosecution Services  
 Office of Administration – General Services  
 Office of the State Courts Administrator  
 City of Claycomo  
 City of Corder  
 City of Hale  
 City of Houstonia  
 City of Kansas City  
 City of Mansfield  
 City of O'Fallon  
 City of Springfield  
 Kansas City Health Department  
 Newton County Health Department  
 St. Louis County Health Department  
 High Point R-III School District  
 Springfield R-XII School District  
 Hermann Area Hospital District

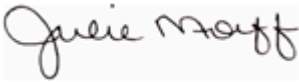
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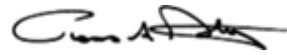
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Missouri State University  
Northwest Missouri State University  
State Technical College of Missouri  
St. Charles Community College  
University of Central Missouri  
University of Missouri System



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March 8, 2021



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