

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2383H.02C  
Bill No.: HCS for HB 1067  
Subject: Contracts and Contractors; Liability; Political Subdivisions; Sovereign or Official  
Immunity; State Departments  
Type: Original  
Date: April 23, 2025

---

Bill Summary: This proposal provides certain immunity for private contractors, subcontractors, and employees of such contractors and subcontractors acting within the scope of a government contract awarded by the Missouri Department of Transportation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

§537.600 –Immunity for private contractors, etc. acting within the scope of a government contract awarded by the MoDOT

Officials from the **Office of Administration (OA) - Purchasing** state proposed legislation will require OA Purchasing to revise the contractual language regarding contractor liability including rewriting other general contractual language, provide such language to the state agencies for use, and update OA's internal procurement documents.

OA-Purchasing believes that the impact of this bill is less than \$10,000. However, until the FY26 budget is finalized, specific funding sources cannot be identified.

At this time, it is believed the additional staff time and resources can be absorbed by OA-Purchasing. However, if there are multiple pieces of legislation passed where OA-Purchasing has responded that the costs can be absorbed, OA-Purchasing would need to reevaluate to see if additional staff and associated expenses would then be required.

**Oversight** has no information to the contrary. Oversight assumes OA-Purchasing will be able to absorb the minimal impact of this proposal and will present no fiscal impact for OA.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

**Oversight** has no information to the contrary. Therefore, Oversight will present no fiscal impact for this proposal for the AGO.

Officials from the **Office of Administration - Budget and Planning**, the **Department of Commerce and Insurance**, the **Department of Social Services**, the **Missouri Department of Transportation** and the **Office of the State Courts Administrator** each assume the proposal will 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

There could be a direct fiscal impact to small businesses who operate under a governmental contract as a result of this proposal.

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  
Office of Administration -  
    Budget and Planning  
    Purchasing  
Department of Commerce and Insurance  
Department of Social Services  
Missouri Department of Transportation  
Office of the State Courts Administrator



Julie Morff  
Director  
April 23, 2025



Jessica Harris  
Assistant Director  
April 23, 2025