

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0961S.01I
Bill No.: SB 51
Subject: Civil Procedure; Business And Commerce; Emergencies; Health Care; Health Care Professionals; Health, Public; Hospitals; Liability; Medical Procedures And Personnel
Type: Original
Date: January 19, 2021

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

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

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

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

FISCAL ANALYSIS

ASSUMPTION

§§537.1000, 537.1005, 537.1010, 537.1015, 537.1020, 537.1025, 537.1030, 537.1035, and 537.1040 – Modifies provisions relating to civil actions arising from COVID-19

Officials from the **Office of Administration, General Services Division** state 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 **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.

Officials from **Missouri State University (MSU)** state there is a potential positive fiscal impact for MSU. This proposal creates an additional defense for the university against possible future legal actions. **Oversight** notes officials did not provide any information regarding the potential amount of the fiscal impact.

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

Officials from the **University of Missouri System** assume the proposal will have no significant fiscal impact on their organization.

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 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, the City of Houstonia, the City of Kansas City, the City of O’Fallon, the City of Springfield, the Newton County Health Department, the Hermann Area Hospital District, High Point R-III School District, Northwest Missouri State University and St. Charles Community College 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 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.

<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, 573.1025, 573.1030)

FISCAL DESCRIPTION

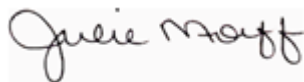
The proposed legislation appears to have no direct fiscal impact.

This proposal contains an emergency clause.

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 Hale
City of Houstonia
City of Kansas City
City of O'Fallon
City of Springfield
Newton County Health Department
High Point R-III School District
Hermann Area Hospital District
Missouri State University
Northwest Missouri State University
St. Charles Community College
University of Central Missouri
University of Missouri System



Julie Morff
Director
January 19, 2021



Ross Strobe
Assistant Director
January 19, 2021