

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0961S.08P
Bill No.: Perfected SS#2 for SCS for SB Nos. 51 & 42
Subject: Civil Procedure; Business and Commerce; Emergencies; Health Care; Health Care Professionals; Health, Public; Hospitals; Liability; Medical Procedures and Personnel
Type: Original
Date: February 3, 2021

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

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, and 537.1035– Modifies provisions relating to civil actions arising from COVID-19

Due to time constraints, **Oversight** was unable to receive agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

In response to original version of this 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.

In response to a previous version of this proposal, officials from the **Kansas City Health Department** provided a response to the proposed legislation. **Oversight** notes, however, officials did not provide a fiscal impact.

In response to a previous version of this proposal, officials from the **City of Hale** stated 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 a previous version of this proposal, 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.

In response to a previous version of this proposal, officials from the **Springfield R-XII School District** stated this proposal will have an unknown fiscal impact to their school district.

In response to a previous version of this proposal, officials from **Missouri State University (MSU)** stated 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.

In response to a previous version of this proposal, officials from the **University of Central Missouri (UCM)** anticipated a potential savings of an indeterminate amount.

In response to a previous version of this proposal, officials from **State Technical College of Missouri (STC)** stated this proposal would have a positive fiscal impact on the STC. However, no amount can be estimated.

In response to a previous version of this proposal, officials from the **University of Missouri System** assumed 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 direct fiscal impact.

In response to a previous version of this proposal, 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 **University of Missouri System**, **Northwest Missouri State University** and **St. Charles Community College** the **City of Corder**, the **City of Houstonia**, the **City of Kansas City**, the **City of O'Fallon**, the **City of Springfield**, the **Newton County Health Department**, the **St. Louis County Health Department**, 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.

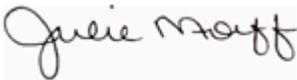
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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 Corder
- City of Hale
- City of Houstonia
- City of Kansas City
- City of Mansfield
- City of O’Fallon

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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
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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February 3, 2021



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Assistant Director
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