

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1507S.01I
Bill No.: SB 310
Subject: Environmental Protection; Insurance - General
Type: Original
Date: February 25, 2021

Bill Summary: This proposal modifies provisions relating to the Petroleum Storage Tank Insurance Fund.

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
Petroleum Storage Tank Insurance Fund	\$125,000	\$130,000	\$135,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$125,000	\$130,000	\$135,000

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

Officials from the **Petroleum Storage Tank Insurance Fund (PSTIF)** assume this proposal will have a positive fiscal impact of approximately \$125,000 in FY 2022 and thereafter to PSTIF as it would eliminate the need for the Board of Trustees to purchase excess coverage from the private market.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the PSTIF.

Officials from the **Department of Commerce and Insurance, Department of Natural Resources** and **Missouri Department of Transportation** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
PETROLEUM STORAGE TANK INSURANCE FUND (0585)			
<u>Savings</u> – PSTIF – no longer have to purchase excess coverage from the private market	<u>\$125,000</u>	<u>\$130,000</u>	<u>\$135,000</u>
ESTIMATED NET EFFECT ON THE PETROLEUM STORAGE TANK INSURANCE FUND	<u>\$125,000</u>	<u>\$130,000</u>	<u>\$135,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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.

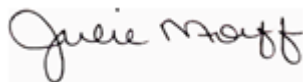
FISCAL DESCRIPTION

Under current law, the Petroleum Storage Tank Insurance Fund assumes costs of 3rd-party claims and cleanup of contamination caused by releases from petroleum storage tanks and pays legal defense costs for eligible 3rd-party claims. This act specifies that the legal defense costs are separate from other coverage limits and allows the Fund to set a limit for such coverage.

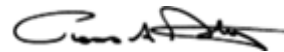
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources
Missouri Department of Transportation
Department of Commerce and Insurance
Petroleum Storage Tank Insurance Fund



Julie Morff
Director
February 25, 2021



Ross Strobe
Assistant Director
February 25, 2021