

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2811-01  
BILL NO.: SB 606  
SUBJECT: Insurance - Property; Property, Real and Personal  
TYPE: Original  
DATE: January 27, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Insurance Dedicated	\$0 to \$60,000	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0 TO \$60,000</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<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 LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Conservation**, the **Missouri Consolidated Health Care Plan**, the **Department of Transportation**, the **Office of State Courts Administrator**, the **Office of Attorney General**, and the **Department of Public Safety - Missouri State Highway Patrol** assume this proposal would not fiscally impact their agencies.

**Department of Correction (DOC)** officials did not respond to our fiscal impact request. However, in responding to a similar proposal last year, DOC assumed no fiscal impact.

Officials from the **Department of Insurance (INS)** states that there are currently approximately 1,200 insurance companies writing property insurance in Missouri. INS estimates this proposal would result in revenue of \$0 to \$60,000 to the Insurance Dedicated Fund. INS anticipates that current appropriations and staff would absorb the work responsibilities for this single proposal. However, if additional proposals are approved during the legislative session, INS may need to request an increase in appropriations due to the combined effect of multiple proposals.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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**INSURANCE DEDICATED FUND**

Income - Department of Insurance

Filing fees	<u>\$0 to \$60,000</u>	<u>\$0</u>	<u>\$0</u>
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<b>ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND</b>	<b><u>\$0 TO \$60,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**FISCAL IMPACT - Small Business**

Small insurance companies could be fiscally impacted to the extent of this additional insurance coverage as a result of the requirements of this proposal.

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DESCRIPTION

This proposal would prohibit insurance companies from denying coverage for property damage to an innocent coinsured who did not contribute to the damage if the damage resulted from domestic violence and the perpetrator of the damage is criminally prosecuted for the acts causing the damage. Payment to the innocent coinsured would be limited to his or her ownership interest in the property as reduced by any payments to a secured interest.

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 Conservation  
Missouri Consolidated Health Care Plan  
Department of Transportation  
Department of Public Safety  
Missouri State Highway Patrol  
Office of State Courts Administrator  
Office of Attorney General  
Department of Insurance

**NOT RESPONDING: Department of Corrections**



Jeanne Jarrett, CPA  
Director  
January 27, 2000