

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0029-02
Bill No.: SB 233
Subject: Drugs and Controlled Substances; Liabilities
Type: Original
Date: March 27, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on <u>All</u> State Funds	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator (CTS)** state the proposal would create a civil cause of action for persons harmed by illegal drugs that could be brought against participants in the illegal drug market. Per CTS, "Persons" is broadly defined, and includes individuals, employers, medical facilities, governmental entities, and employee assistance programs. Persons may recover economic, non-economic and exemplary damages as well as attorney's fees and costs of the suit.

CTS assumes the potential for a workload increase in the courts as a result of this proposal is great. In fiscal year 1999, there were 19,754 drug-related convictions/guilty pleas. CTS assumes they have no way of estimating how many of these cases fit the definitions in the proposed legislation, but the number could be significant. Some of the cases could be quite protracted.

CTS assumes costs associated with this proposal is unlikely to exceed \$100,000 in any year.

Officials from the **Department of Public Safety - Missouri Highway Patrol** state they anticipate no fiscal impact. However, the potential exists to recover costs currently expanded by the state in the war on drugs, which would affect Total State Revenue. This does not necessary increase state revenues but rather acts to recover funds spent.

Officials from the **Office of the Attorney General, Department of Labor and Industrial Relations** and the **Office of Administration - Division of Accounting** each assumed the proposed legislation would have no fiscal impact on their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE			
<u>Costs</u> - Increased Court Action (CTS)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

This proposal could fiscally impact small businesses if they are employers of the drug users and if they are able to recover economic damages, including loss of productivity, absenteeism, etc.

DESCRIPTION

This proposal creates a cause of action for any person who has suffered damages as a proximate result of another person's use of an illegal drug. The damages may be economic including medical bills and lost wages, non-economic including physical and emotional distress, and attorney's fees.

A person entitled to bring the action may seek damages from any person who knowingly distributed the illegal drug or knowingly participated in the chain of distribution. Any person with a criminal drug conviction is estopped from denying participation in the illegal drug market during the two years preceding the date of the act which is the subject of the claim.

Any person against whom a judgment is obtained is not eligible to exempt any property from execution of the judgment. Any assets named in a forfeiture by a state or federal agency shall not be used to satisfy the judgment, unless the assets have been released. Upon motion by a governmental agency, an action pursuant to this act shall be stayed until the completion of a related criminal investigation or prosecution.

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

Office of the State Courts Administrator
Office of the Attorney General
Department of Public Safety - Missouri Highway Patrol
Office of Administration
Department of Labor



Jeanne Jarrett, CPA
Director
March 27, 2001