COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 0068-01 <u>Bill No.</u>: SB 75

Subject: Courts; Labor and Management

<u>Type</u>: Original

<u>Date</u>: January 22, 2001

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS							
FUND AFFECTED	FY 2002	FY 2003	FY 2004				
None	\$0	\$0	\$0				
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 Administration - Administrative Hearing Commission,
Department of Labor and Industrial Relations, Department of Conservation, Office of
State Courts Administrator, Office of Administration - Division of Personnel, Office of
Secretary of State and the Office of the Attorney General assume the proposed legislation
would have no fiscal impact on their agencies.

Officials from the **Department of Transportation** (DHT) assume if a negligence action against DHT is arbitrated pursuant to Section 226.095, this bill could lead to an additional award of attorney fees and other expenses which would have a negative fiscal impact on the department. The actual amount of the impact would depend upon the number of cases in which attorney fees and other expenses are awarded and the amount of such awards.

FISCAL IMPACT - State Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
FISCAL IMPACT - Local Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal substantially revises the Uniform Arbitration Act (UAA) and is referred to as the Revised Uniform Arbitration Act (RUAA). The revisions substantially redefine the process of arbitration and permits growth and change. The UAA contained provisions requiring a "paper" process whereas the RUAA envisions the ability to handle any or all aspects of the arbitration process electronically. The scope of the RUAA is expanded to include areas not previously addressed by the UAA. Such areas include: arbitrability of causes of action; authority of arbitrators to grant pre-award orders; the procedure for commencement of arbitration; consolidation of arbitration proceedings; an arbitrator's required disclosure of potential conflicts; the grant of immunity to arbitrators; the ability of an arbitrator to hold a pre-conference; the DESCRIPTION (continued)

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ability of an arbitrator to issue and enforce subpoenas; the ability of an arbitrator to order and set the scope of discovery; court enforcement of pre-award rulings; and the ability of the arbitrator to award attorney's fees and punitive damages if those remedies are authorized by law in a civil action.

Any agreements entered into after August 28, 2001, will be governed by the RUAA. Until August 28, 2003, agreements entered into prior to August 28, 2001, may proceed under either the RUAA or the UAA. After August 28, 2003, all agreements will operate under the RUAA.

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
Department of Labor and Industrial Relations
Department of Transportation
Office of Administration - Administrative Hearing Commission
Office of Administration - Division of Personnel
Office of Attorney General
Office of Secretary of State
Office of State Courts Administrator

Jeanne Jarrett, CPA

Director

January 22, 2001