

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1485-01
Bill No.: HB 553
Subject: Agriculture Dept.; Energy; Insurance - General
Type: Original
Date: March 8, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Insurance** assume no fiscal impact to their agency.

Officials with the **Department of Agriculture - Division of Weights and Measures** estimate approximately 2,000 businesses would be affected by the provisions of 323.060. The division assumes each registered business would be required to submit a certificate of insurance prior to any occurrence. The division would anticipate the need for a clerical support person to file certificates of insurance, monitor expiration dates on certificates and ensure new certificates are submitted. It appears most certificates expire one year from the date of issue. This would require some modifications to existing computer programs to maintain and monitor certificates of insurance.

Oversight assumes funding for additional staffing should be requested through the normal budgetary process.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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.

DESCRIPTION

Currently, registered liquefied petroleum gas retailers are exempt from liability for actual or punitive damages for any injuries caused by the installation, modification, repair, or servicing of equipment and appliances used with liquefied petroleum gas. This bill adds to the exemption from liability persons who only sell liquefied petroleum gas in approved containers having a capacity of 50 pounds of propane or less that have been filled by another registered person.

The bill also requires that every person registered in Missouri pursuant to Chapter 323, RSMo, demonstrate financial responsibility for compensating third parties for bodily injury and property damage caused by the release of liquefied petroleum gas. Financial responsibility may be demonstrated either by self insurance or by obtaining liability insurance in the required amounts of \$1 million per occurrence with an annual aggregate of \$2 million. The provisions of this section become effective January 1, 2006.

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

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SOURCES OF INFORMATION

Department of Agriculture
Department of Insurance



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March 8, 2005