

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2989-01
Bill No.: HB 1368
Subject: Agriculture and Animals; Liability; Motor Vehicles; Public Safety Department.
Type: Original
Date: January 9, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$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 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Division of Fire Safety (DFS)** state that they would be responsible for issuing permits to hay ride businesses. The DFS estimates that they would charge a fee of \$15 for each permit issued and would verify documentation submitted by the hay ride enterprises which includes a general liability insurance policy of not less than one million dollars per insured or a bond in the same amount of such persons policy.

DFS states that after considerable research, they are unable to determine how many hay ride enterprises operate in Missouri, and therefore, assume the fiscal impact of the legislation is unknown at this time.

Officials from the **Office of the State Public Defender** assumes that existing staff could provide representation for those few cases arising where indigent persons were charged with unlawful operations of hayrides. However, passage of more than one similar bill would require the State Public Defender System to request increased appropriations to cover cumulative cost of representing the indigent accused in the additional cases.

Officials from the **Office of the State Courts Administrator** and the **Office of Prosecution Services** assume this proposal will not fiscally impact their respective agencies.

Oversight assumes that the Division of Fire Safety, within the Department of Public Safety, would charge and collect permit fees to cover their costs. Since the number of hay ride enterprises operating in Missouri is unknown, Oversight assumes the permit fee revenue and the costs associated with their issuance are both unknown amounts, but would roughly offset each other in any given fiscal year.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE			
<u>Income</u> - Division of Fire Safety			
Permit Fees for Hay Ride Enterprises	Unknown	Unknown	Unknown
<u>Expenses</u> - Division of Fire Safety			
Cost of issuance of permits	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

A direct fiscal impact to small businesses that are considered hay ride enterprises would be expected as a result of this proposal, since they must now possess a \$1 million general liability insurance policy, a \$1 million bond, or cash or other surety acceptable to the Department of Public Safety to obtain a permit to operate their hay ride business in Missouri.

DESCRIPTION

This proposal establishes requirements for operators of hay ride enterprises, which include obtaining an operating permit from the Department of Public Safety and providing proof of insurance.

The operation of a hay ride enterprise is prohibited unless the owner provides the Department of Public Safety with proof of:

1. A permit issued by the Department and affixed to the hay ride equipment;
2. A general liability insurance policy of not less than one million per incident, or a bond in the same dollar amount, or cash or other acceptable surety; and
3. Proof of liability insurance on the animal, tractor, trailer, or other vehicle used to operate the hay ride enterprise.

The proposal also states that operators who knowingly violate the provisions of the section are guilty of a class B misdemeanor and that a finding or plea of guilty gives rise to a rebuttable presumption of negligence in a claim for damages.

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

RS:LR:OD (12/01)

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Department of Public Safety - Division of Fire Safety
Office of Prosecution Services
Office of the State Courts Administrator
Office of the State Public Defender

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director

January 9, 2002