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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/07

SPONSOR Komadina LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Hot Air Balloon Liability Act SB 224

ANALYST Wilson

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		Minimal				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

Senate Bill 224 exempts an owner, lessee, renter or lawful possessor of a hot air balloon park, a hot air balloon activity organizer or a hot air balloon operator from liability for injury, loss or damages resulting from the risks inherent in a hot air balloon activity.

Tort liability is not exempted when hot air balloon equipment is provided and the provider:

- knows or should know that the equipment is faulty and an injury proximately results from the faulty condition of the equipment;
- fails to make a reasonable effort to determine the ability of the hot air balloon operator to engage safely in a hot air balloon activity;
- commits an act or omission that constitutes a reckless disregard for the safety of a hot air balloon operator, passenger or observer.
- intentionally injures a hot air balloon operator, passenger or observer.

A hot air balloon park owner is required to post a clearly visible sign in at least one prominent location in the hot air balloon park. The sign shall include a warning regarding the inherent risks of hot air balloon activities and the limitations on liability of the owner, lessee, renter or lawful

possessor of the hot air balloon park, the hot air balloon activity organizer and the hot air balloon operator.

### **FISCAL IMPLICATIONS**

This bill will have minimal impact on the courts. SB 224 limits liability so case loads should go down, but, litigation covering what is or is not exempt may increase.

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

### **SIGNIFICANT ISSUES**

The legislature recognizes that a person who participates in a hot air balloon activity may incur injury as a result of the risks inherent in the activity.

The legislature also finds that the state and its citizens derive numerous personal and economic benefits from hot air balloon activities.

It is the purpose of the legislature to encourage hot air balloon activities by providing that a person participating in a hot air balloon activity shall not recover for an injury that proximately results from the risks inherent in the activity.

DW/mt