



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024	
COMMITTEE: Financial Institutions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: BRAD LAU		PHONE NUMBER: 816-244-6221	
BUSINESS/ORGANIZATION NAME: ST. JOSEPH CHAMBER OF COMMERCE & ST. JOSEPH ECONOMIC DEVELOPMENT PARTNERSHIP		TITLE: VICE PRESIDENT, ECONOMIC DEVELOPMENT	
ADDRESS: 3003 FREDERICK AVENUE			
CITY: ST. JOSEPH		STATE: MO	ZIP: 64506
EMAIL: blau@saintjoseph.com	ATTENDANCE: In-Person	SUBMIT DATE: 3/4/2024 2:29 PM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			

The Chapter 100 program is a key economic development tool in the State of Missouri to increase the state's competitive nature with other states. The program is used extensively in St. Joseph, Missouri, and has been critical in securing projects such as expansions of Boehringer Ingelheim Animal Health, and the attraction of new companies to St. Joseph such as Schuetz Containers and CII (Cereal Ingredients, Inc.). The program involves the issuance of industrial revenue bonds (IRB's) to provide tax abatement to private companies. The IRB process involves the ownership of the project by a governmental entity and a lease of the project to a private company with the private company being responsible for construction, maintenance, and operation of the project. The company typically buys the bonds in the amount of the project. When the bonds are paid back through the lease payments, the project reverts back into the name of the company. Before 2019, IRB projects were exempt from mechanics liens due to governmental ownership. In 2019 Section 107.170, RSMO was amended to require that a payment bond be provided for projects. This change has resulted in additional expense to the companies utilizing the IRB program. The company is required to secure a payment bond during the term of the abatement, often for periods of 10 plus years when work on the facility is performed, creating an ongoing expense and burden on the company. The primary purpose of the proposed legislation is to give the governmental entity, the option to either require a payment bond or to consent to mechanic's liens being filed against and IRB project. The St. Joseph Chamber of Commerce and St. Joseph Economic Development Partnership supports this legislation. The legislation still protects contractors and subcontractors on private IRB projects by allowing the mechanics liens, but removes the burden and expense of a payment bond for a company that has gone through the IRB process.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024
COMMITTEE: Financial Institutions		
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
REGISTERED LOBBYIST:		
WITNESS NAME: BRIAN GRACE		PHONE NUMBER: 573-230-9549
REPRESENTING: MISSOURI ECONOMIC DEVELOPMENT COUNCIL		TITLE:
ADDRESS: 117 MADISON ST.		
CITY: JEFFERSON CITY		STATE: MO
		ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/5/2024 12:00 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.		



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024	
COMMITTEE: Financial Institutions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: BRIAN RABINEAU		PHONE NUMBER: 816-559-3725	
BUSINESS/ORGANIZATION NAME: PORT AUTHORITY OF KANSAS CITY, MISSOURI		TITLE: GENERAL COUNSEL	
ADDRESS: 110 BERKLEY PLAZA			
CITY: KANSAS CITY		STATE: MO	ZIP: 64120
EMAIL: brabineau@portkc.com	ATTENDANCE: Written	SUBMIT DATE: 3/5/2024 12:08 PM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

The Port Authority of Kansas City, Missouri (“Port KC”) strongly supports HB1724. Port Authorities, similar to cities and counties throughout the State of Missouri, issue industrial revenue bonds to provide tax benefits for the purpose of attracting and retaining businesses, promoting the creation of new jobs, and growing Missouri’s economy. These are often referred to as “IRB Projects.” Prior to 2019, IRB Projects were exempt from mechanic’s liens due to governmental ownership. In 2019, Section 107.170 was amended to require that a payment bond be provided for IRB Projects. This change, while well intentioned, added significant additional expenses. The added cost of a payment bond, together with rising construction costs and interest rates, can make certain projects unfeasible. HB1724 strikes a balance between controlling costs for IRB Projects while still ensuring that contractors are paid what’s rightfully due them. HB1724 would give the governmental entity the option to either require a payment bond or to consent to mechanic’s liens being filed against an IRB Project. Allowing a mechanic’s lien against an IRB Project would restore the normal enforcement mechanism for contractors on private projects. Also, developers of IRB Projects have an even greater incentive to ensure that their subcontractors are paid. In addition to the possibility of a lien, IRB Projects typically include contractual terms providing for the loss of tax benefits if the contractors are not paid and any mechanics liens satisfied. In sum, HB1724 provides full protection to contractors while ensuring that IRB Projects remain viable. By striking this balance, Missouri remains competitive.



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024	
COMMITTEE: Financial Institutions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: DOUGLAS STONE		PHONE NUMBER: 816-914-8655	
BUSINESS/ORGANIZATION NAME: MISSOURI ECONOMIC DEVELOPMENT FINANCING ASSOCIATION		TITLE: CHAIR-LEGISLATIVE AFFAIRS	
ADDRESS: 1010 WALNUT STREET, #500			
CITY: KANSAS CITY		STATE: MO	ZIP: 64105
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/5/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024	
COMMITTEE: Financial Institutions			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: KARA CORCHES		PHONE NUMBER: 573-634-3511	
REPRESENTING: MISSOURI CHAMBER OF COMMERCE & INDUSTRY		TITLE:	
ADDRESS: 428 EAST CAPITOL AVENUE			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/5/2024 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024
COMMITTEE: Financial Institutions		
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
BUSINESS/ORGANIZATION:		
WITNESS NAME: RICHARD SHEETS		PHONE NUMBER: 573-635-9134
BUSINESS/ORGANIZATION NAME: MISSOURI MUNICIPAL LEAGUE		TITLE: CREATIVE DIRECTOR
ADDRESS: 1727 SOUTHRIDGE DRIVE		
CITY: JEFFERSON CITY		STATE: MO
		ZIP: 65109
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/5/2024 12:00 AM
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.		



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024
COMMITTEE: Financial Institutions		
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
INDIVIDUAL:		
WITNESS NAME: ARNIE C. "HONEST-ABE" DIENOFF-STATE PUBLIC ADVOCATE		PHONE NUMBER:
BUSINESS/ORGANIZATION NAME:		TITLE:
ADDRESS:		
CITY:		STATE: ZIP:
EMAIL: arniedienoff@yahoo.com	ATTENDANCE: In-Person	SUBMIT DATE: 3/5/2024 11:44 PM

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

I am opposed to this Bill in its current form and the intension of the last paragraph making Public Facilities and Building exempt from Attachments and Liens. The Fort Zumwalt R-II School District does not Require nor ask for Bonds on numerous Construction Projects of the District. this Standard and public policy NEEDS to change!



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1724		DATE: 3/5/2024
COMMITTEE: Financial Institutions		
TESTIFYING: <input type="checkbox"/> IN SUPPORT OF <input checked="" type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES		
WITNESS NAME		
REGISTERED LOBBYIST:		
WITNESS NAME: MARK BRUNS		PHONE NUMBER:
REPRESENTING: AMERICAN SUBCONTRACTORS ASSOCIATION MIDWEST COUNCIL		TITLE:
ADDRESS: PO BOX 410743		
CITY: ST. LOUIS		STATE: MO
		ZIP: 63151
EMAIL: mark@brunslobby.com	ATTENDANCE: Written	SUBMIT DATE: 3/4/2024 5:37 PM

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

With one exception, subcontractors and suppliers in Missouri are afforded security for payment in the form of either a mechanic's lien or a payment bond. This core principle that is enshrined into Missouri law goes so far as to afford payment protection even when the governmental body responsible for obtaining the bond fails to do so. The law in Missouri makes the individuals who had the duty to obtain the bond and failed to do so personally liable for failing to perform their duty as governmental officials. House Bill 1724, if passed into law, would eviscerate this remedy currently available to Subs and suppliers who are wronged by the failure of governmental officials to carry out their duties. For these reasons, ASA opposes HB1724.