

HCS HB 1346 -- PORT AUTHORITIES

SPONSOR: Steinmeyer

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Economic Development by a vote of 14 to 0. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for HB 1346.

This bill provides that if a port authority created as a political subdivision purchases or leases real property located within an adjoining municipality or state, such real property is deemed included within the port district and the port authority can exercise its powers there.

The bill permits every approved local and regional port authority to acquire, own, lease, sell, mortgage, encumber, or otherwise dispose of interest in real property in adjoining municipalities and states; to create and operate agencies and departments as necessary; establish port rangers; contract with other port authorities; and to perform other acts as necessary.

The bill prohibits state funds allocated to port authorities from being used to fund housing projects using the Housing Authorities Law. The bill allows a department or office receiving an appropriation of state funds for a project to be undertaken by a port authority to, by agreement, advance the designated funds to the port authority in that fiscal year in lieu of providing the funds on a reimbursement basis. The port authority will be required to repay the funds in the event it violates the requirements of the agreement. In lieu of designating moneys to the port authority, such department or office of the state are also allowed to designate moneys with a financial institution or escrow agent to be held and disbursed, subject to the terms of an agreement.

This bill allows commissioners of port authorities to serve until a successor has been appointed. In the event the county or city that creates the port authority operates under a charter form of government, the method of appointment, required qualifications, salaries, and powers, must be provided in the charter.

The bill permits a board of port authority commissioners to determine the qualifications, salaries, powers, and duties of the board in its bylaws if the governing body of the county or municipality that created the port authority fails to do so.

The bill specifies the method for removing a member of a board of port authority commissioners.

This bill authorizes port authorities to use additional procurement methods authorized by state law.

Currently, any expenditure by a port authority over \$25,000 must be competitively bid. This bill raises that amount to \$75,000. The bill also requires newspaper notification of these bids no fewer than 20 days prior to awarding the contract.

This bill allows records and documents submitted to a port authority pertaining to a business prospect the authority is negotiating to be considered closed records for the purposes of public disclosure law.

Under current law, "consent" is considered the written acknowledgment and approval of the creation of a district by the owners of real property collectively owning more than 60% of the assessed value of the real property within the boundaries of the proposed district, and more than 60% per capita of the owners of property within those boundaries. This bill lowers 60% to 50% in both instances.

This bill exempts consideration of a petition by the circuit court if the port authority is the owner of all real property within the district for which a change has been proposed or if 100% of the owners of all real property within the district have consented in writing to the project.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that this bill ensures Missouri remains economically strong and open for investment, and will keep Missouri competitive with its neighbors. Ports can create booming economic zones along riverfronts. Those who support the bill state the bill removes outdated restrictions to drive economic impact through Port KC and allows materials to move in and through Missouri. Supporters state that this bill addresses the responsible use of resources as they relate to port authorities. The bill allows port authorities to expand procurement tools, assist in the creation of additional port authorities, and modernize and become more efficient.

Testifying in person for the bill were Representative Steinmeyer; J.E. Dunn; Jon Stephens, Port Authority of Kansas City; Brian

Rabineau, Port Authority of Kansas City Missouri; Missouri Chamber of Commerce and Industry; and Missouri Port Authority Association.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.