

KANSAS OFFICE of  
**REVISOR of STATUTES**

LEGISLATURE of THE STATE of KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Chairman Barker  
Members of the House Committee on Federal and State Affairs

From: Jason B. Long, Senior Assistant Revisor

Date: March 16, 2017

Subject: HB 2386 – Sale of property by port authorities.

House Bill No. 2386 (HB 2386) makes amendments to current law regarding port authorities. Under K.S.A. 12-3401 et seq., port authorities may be created as a political subdivision within a municipality to govern the economic development of a port located in such municipality. As part of their general statutory powers, port authorities may acquire and sell personal and real property.

Under K.S.A. 12-3412, a port authority may sell property either through a public bid process or by negotiated sale. Current law requires that the property be sold at not less than the appraised value if the sale is by negotiated sale. HB 2386 would allow a port authority to negotiate the sale of property at less than appraised value if doing so is in the public interest because: (1) it would create new jobs; (2) it would bring in capital investment; or (3) it would increase tax revenue.

If enacted the provisions of HB 2386 would be effective on July 1, 2017.