

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 2390
Version:	FULLPCS1
Request Number:	7870
Author:	Rep. Leslie Osborn
Date:	5/11/2017
Impact:	Grand River Dam Authority:

Net Positive Revenue
FY-18: \$4.2 Million

Research Analysis

The Proposed Committee Substitute for HB 2390 makes several changes to the Grand River Dam Authority Act, including:

- Authorizing the Grand River Dam Authority (GRDA) to set fees for services performed;
- Clarifies and extends authority of the GRDA to develop its own written policies and procedures;
- Adds *wind* and *battery storage* to the power sources authorized;
- Expands the GRDA's authority to issue debt agreements;
- Expands the GRDA's powers and rights to include support of educational institutions;
- Exempts the GRDA from certain statutes including Title 61, the Information Technology Consolidation and Coordination Act, statutes and rules relating to hiring procedures and compensation for state employees, the State Travel Reimbursement Act, and the Surplus Property Act;
- Removes statutes relating to staggered terms of GRDA directors;
- Provides that a director or designee may be removed only by that member's appointing authority;
- Removes the \$50,000 cap on contracts and the 1-year limit on contracts without an affirmative vote of the board of directors;
- Removes statutes directing certain compensation and classification status of GRDA employees;
- Removes the requirement that GRDA funds be deposited in interest-bearing accounts;
- Limits the annual payment in lieu of taxes to 1% of the GRDA's operating revenue, in installments of 1/12 of 1% per month;
- Removes a cap on GRDA revenue bonding authority;
- Repeals 82 OS 862.2 - Certain Authority Contracts Not Public Construction Contracts; and
- Updates and clarifies statutory language.

Prepared By: Sean Webster

Fiscal Analysis

Provides for in-lieu payment of one percent of gross operating revenues; provides for certain operational efficiencies

The Authority indicates the payment provisions will result in an estimated \$4,200,000 in FY-18. The measure includes provisions which have the potential to realize operational efficiencies for the Authority.

Prepared By: Mark Tygret

Other Considerations

None.