

SENATE COMMITTEE ON TRANSPORTATION

February 21, 2005
3:10 P.M.

Hearing Room 50
Tapes 21 - 22

MEMBERS PRESENT: Sen. Joanne Verger, Chair
Sen. Doug Whitsett, Vice-Chair
Sen. Rick Metsger
Sen. Floyd Prozanski
Sen. Bruce Starr

MEMBERS PRESENT: Rep. Greg Smith
Rep. Terry Beyer

STAFF PRESENT: Judith Callens, Committee Administrator
Gary Roulier, Committee Assistant

MEASURES/ISSUES HEARD & WITNESSES:
Transportation Briefing – Informational Meeting
SB 71 – Public Hearing

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 21, A		
003	Chair Verger	Opens the meeting at 3:14 p.m. Introduces Congressman Earl Blumenauer and opens an informational briefing on federal transportation issues.
<u>TRANSPORTATION BRIEFING – INFORMATIONAL MEETING</u>		
013	Congressman Earl Blumenauer	Explains that his purpose is to show state partners how the federal program fits into state funding for transportation.
054	Congressman Blumenauer	Emphasizes the importance of investment in transportation infrastructure.
096	Congressman Blumenauer	Reviews some discussions in Congress that may not be favorable to Oregon. i.e., will divert some funds from the state.
137	Congressman Blumenauer	Notes that many people around the country look to Oregon as an example of how to stretch resources.
145	Chair Verger	Stresses that small ports are vital to the state economy and comments on the lack of federal funding for dredging.
161	Sen. Prozanski	Reviews some of the issues the committee learned during a field trip to the Port of Umpqua, including fresh fish products not being classified as "commerce."
191	Congressman Blumenauer	Responds that there are other members of Congress who would also have concern over this definition. Reviews his frustration with the shortchanging of dredging funds for Oregon ports.
231	Sen. Prozanski	Notes that the definitions from the Corps of Engineers seem to be affected by lack of funding.
240	Congressman Blumenauer	Agrees that the funding cuts have put the Corps of Engineers in a tough position.

248	Sen. B. Starr	Stresses the importance of the I-5 corridor to the economy, and asks about any actions on Sen. Ron Wyden’s proposal entitled “Build America Bonds.”
287	Congressman Blumenauer	Answers that the federal delegation must be careful regarding how this would affect other support for Oregon transportation infrastructure. Reviews federal action that is rapidly increasing the national debt.
337	Congressman Blumenauer	Adds that he is nervous because of his concern over the national debt, and that, over time, additional bonding may end up shrinking the revenue stream.
353	Sen. B. Starr	Emphasizes the importance of funds for maintenance of jettys.
378	Sen. Whitsett	Remarks on the concerns expressed regarding bonding.
396	Congressman Blumenauer	Adds that he is hopeful that we can find ways to coax more value from the state’s infrastructure.

TAPE 22, A

011	Congressman Blumenauer	Reviews his efforts in Congress to form a state transportation commission to study state issues.
041	Congressman Blumenauer	Notes that many states are being “driven by the moment,” and are not getting enough value for their investments.
054	Rep. Beyer	Asks about the level of funding in the next transportation act.
060	Congressman Blumenauer	Responds with a review of funding discussions.
102	Chair Verger	Thanks the congressman for his appearance and talks about upcoming hearings on ConnectOregon.
120	Congressman Blumenauer	Stresses the importance of the ConnectOregon legislation and expresses his support.
129	Chair Verger	Closes the informational meeting and opens a public hearing on SB 71.

SB 71 – PUBLIC HEARING

146	Judith Callens	Administrator. Explains the provisions of the bill.
154	Chris Warner	Transportation Policy Advisor and Legislative Director, Governor’s Office. Testifies in support of SB 71.
180	Stuart Foster	Chair, Oregon Transportation Commission. Presents written testimony (EXHIBIT A) and testifies in support of SB 71 (ConnectOregon).
207	Foster	Emphasizes the importance of these investments in transportation infrastructure.
223	Bruce Warner	Director, Oregon Department of Transportation (ODOT). Presents written testimony (EXHIBIT B) and testifies in support of SB 71.
259	Bruce Warner	Reviews sections of the bill.
307	Bruce Warner	Speaks to the lack of funding in SB 71 for highway projects.
359	Bruce Warner	Expresses ODOT’s willingness to carry out the provisions of the bill.
379	Chair Verger	Asks that questions be limited to issues of critical importance.
393	Sen. Metsger	Notes concerns about “geographical spread,” the importance of leveraging funds, and how to best use the Freight Advisory Committee during these discussions.

TAPE 21, B

011	Jessica Harris-Adamson	Associated General Contractors. Testifies in support of SB 71.
019	John Bollier	Associated General Contractors and Stacy and Whitbeck Contractors. Presents written testimony (EXHIBIT H) and testifies in support of SB 71.

060	Ken Armstrong	Oregon Short Line Railroad Association and Oregon Ports Group. Testifies in support of SB 71.
103	Larry Phipps	President, Portland & Western Railroad, and Chair, Oregon Short Line Railroad Association. Presents written testimony (EXHIBIT C) and a report entitled “Oregon Short Line Railroads” (EXHIBIT D) .
143	Phipps	Discusses the economies affecting short line railroads.
173	Gary Neal	General Manager, Port of Morrow. Testifies in support of SB 71.
226	Tom Gallagher	Snitzer Steel Industries and Urban Developers Coalition. Presents written testimony (EXHIBIT E) and testifies in support of SB 71.
280	Gallagher	Reviews some suggestions, including the need for timely completion of projects.
310	Pat Egan	State Affairs Manager, Port of Portland. Presents written testimony (EXHIBIT F) , and testifies in support of SB 71.
362	Egan	Reviews the port’s statewide mission and investments being made in other states.
TAPE 22, B		
006	Egan	Summarizes a movement away from warehousing and toward “just-in-time” manufacturing processes.
038	Egan	Outlines the disparity between what the port receives in property tax revenues relative to Seattle.
066	Chair Verger	Stresses the importance of inclusion of other modes of transportation in the conversation.
079	Sen. Whitsett	Asks what has caused the recent decrease in container shipments.
085	Egan	Responds that the port container traffic has been affected by the huge increase of trade by some companies with China. Talks about the importance of the deepening of the channel on the Columbia.
127	Rep. Smith	Asks how enthusiastic the port would be if it were necessary to repay some of the funds in ConnectOregon.
142	Egan	Answers that the port would look at additional debt in “competitive terms.”
163	Rep. Smith	Comments that putting a cost on a “per container” basis would affect our competitive position.
185	Egan Fred D. Nussbaum	Reviews costs of container shipping in the Columbia Corridor. Strategic Planner, Association of Oregon Rail and Transit Advocates. Submits written testimony in support of SB 71 (EXHIBIT G) .
197	Chair Verger	Stresses the efforts of the committee to bring policy and budget together. Closes the public hearing and adjourns the meeting at 4:54 p.m.

EXHIBIT SUMMARY

- A. **SB 71, written testimony, Stuart Foster, 12 pp**
- B. **SB 71, written testimony, Bruce Warner, 5 pp**
- C. **SB 71, written testimony, Larry Phipps, 1 pp**
- D. **SB 71, report, Larry Phipps, 9 pp**
- E. **SB 71, written testimony, Tom Gallagher, 3 pp**
- F. **SB 71, written testimony, Pat Egan, 1 pp**
- G. **SB 71, written testimony, Fred D. Nussbaum, 1 pp**

H. **SB 71, written testimony, John Bollier, 2 pp**