

HOUSE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

February 03, 2003 Hearing Room D
1:00 PM Tapes 5 - 6

MEMBERS PRESENT: Rep. Patti Smith, Chair
Rep. Vicki Berger, Vice-Chair
Rep. Mary Gallegos, Vice-Chair
Rep. Mark Hass
Rep. Dave Hunt
Rep. Steve March
Rep. Dennis Richardson

STAFF PRESENT: Kimberly A. Medford, Committee Administrator
Linda K. Gatto, Committee Assistant

MEASURE/ISSUES HEARD: HCR 2 – Public Hearing and Work Session
HB 2295 – Public Hearing and Work Session
Informational Presentation - Oregon Ports

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>
<u>TAPE 5, A</u>		
003	Chair Smith	Calls the meeting to order at 1:04 p.m. and opens the public hearing on HCR 2.
<u>HCR 2 – PUBLIC HEARING</u>		
007	Kimberly A. Medford	Committee Administrator. States that HCR 2 recognizes February 6 of each year as Ronald Regan day and adds that the -1 amendments are a technical fix, (EXHIBIT A) .
012	Rep. Tim Knopp	HD 54. Explains HCR 2 is being brought forward to recognize the accomplishments of Ronald Regan in his presidency and his impact on America.
047	Chair Smith	Closes the public hearing on HCR 2 and opens the work session on HCR 2.
<u>HCR 2 – WORK SESSION</u>		
054	Rep. Gallegos	MOTION: Moves to ADOPT HCR 2-1 amendments dated 01/31/03.
		VOTE: 7-0
		EXCUSED: 1 – Hass
	Chair Smith	Hearing no objection, declares the motion CARRIED.
060	Rep. Gallegos	MOTION: Moves HCR 2 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.
062		VOTE: 6-0
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 1 – Hass *(see Tape 5, B click #070)
	Chair Smith	The motion CARRIES.
		REP. KNOPP will lead discussion on the floor.
076	Chair Smith	Closes the work session on HCR 2 and opens the public hearing

on HB 2295.

HB 2295 PUBLIC HEARING

078	Kimberly A. Medford	Reviews HB 2295. Explains the changes proposed in HB 2295-1 and HB 2295-2 amendments, (EXHIBIT B) .
106	Roger Mansfield	Traditional Co. LLC. Submits prepared testimony in support of HB 2295, (EXHIBIT C) . Explains shipping restrictions and competitive disadvantages.
190	Allan Foster	White Oak Cider. Describes the product he produces and the caliber of his customer base.
279	Chair Smith	Closes the public hearing on HB 2295 and opens the work session on HB 2295.

HB 2295 WORK SESSION

277	Rep. March	MOTION: Moves to ADOPT HB 2295-1 amendments dated 1/29/03.
280	Chair Smith	VOTE: 7-0 Hearing no objection, declares the motion CARRIED. MOTION: Moves HB 2295 to the floor with a BE ADOPTED AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
290	Chair Smith	VOTE: 7-0 AYE: In a roll call vote, all members present vote Aye. The motion CARRIES. REP. MARCH will lead discussion on the floor.
303	Chair Smith	Closes the work session on HB 2295 and opens the informational meeting for the purpose of providing an overview on Oregon Ports.

INFORMATIONAL MEETING

366	Keith Leavitt	State Government Relations Manager, Port of Portland. Provides an overview on the mission and functions of the Port of Portland. Describes the marine and air operations. Submits (EXHIBIT D)
412	Leavitt	Discusses revenue challenges. States the struggle is in capital infrastructure.
460	Leavitt	Discusses the channel deepening project. States that the National Marine Fisheries Service and US Fish and Wildlife Service have approved the project with the “no jeopardy” opinion regarding the impact on endangered species. Adds that the states are finishing up the review relative to the Clean Water Act.

TAPE 6, A

039	Leavitt	Discusses international air service issues.
070	Leavitt	States support for the tourism bill HB 2267. Discusses the Asian market.
088	Leavitt	Discusses the need for a transportation/trade related infrastructure.
104	Leavitt	Discusses HB 2252, the International Trade Commission bill, the Channel deepening bill, and the Oregon Business Plan – especially industrial land.
129	Rep. March	Asks how much industrial land does the Port have vacant and ready for lease.
132	Leavitt	Responds that there is one major parcel left. The larger “shovel ready” parcels are what is lacking.
140	Rep. Berger	Inquires if barges are a viable tool of transport.

150	Leavitt	Responds that barges are used primarily for grain. Notes that container cargo on the river has increased.
180	Rep. Hunt	Asks for information on how disperse Port related employment is statewide.
186	Leavitt	Responds that the jobs on the docks are very high-paying. Comments on “influence jobs.”
200	Ken Armstrong	Oregon Ports Group, Director. States there are 23 ports in the state of Oregon with a spectrum of activities. Provides an overview on site development projects and the relationship with the Economic and Community Development Department and Department of Transportation.
300	Armstrong	Comments on the Ports Group’s session priorities: <ul style="list-style-type: none"> • Economic and Community Development Department’s budget • Marine navigation improvement funds • Oregon Port revolving fund • Transportation funding package • Streamlined permitting and regulatory oversight
359	Armstrong	Summarizes that ports play a key role in local and statewide economic development efforts.
370	Rep. March	Asks for clarification on why marina development is not profitable.
372	Armstrong	Responds that generally the upkeep on the facility can be expensive and is a fluid industry; high investment/small profit margins. Adds that the investment does provide for tourism activities.
401	Rep. Hass	Asks if Portland is a port-of-call for any major shippers.
414	Armstrong	Responds that they are a port-of-call for shippers that need to reach international markets. Comments on the imbalance of exports and imports and the relationship to population.
420	Rep. Hunt	Asks if there are specific regulatory reforms or streamline permitting recommendations that may be presented in the future.
TAPE 5, B		
061	Armstrong	Provides an example of a streamlining effort that was achieved with Department of Environmental Quality. States there is currently a bill with the Division of State Lands regarding dredge materials.
070	Rep. Gallegos	Concludes testimony. MOTION: Requests unanimous consent that the rules be SUSPENDED to allow REP. HASS to BE RECORDED as voting AYE on the HJR 2 AS AMENDED.
078	Chair Smith	VOTE: 7-0 Hearing no objection, declares the motion CARRIED.
080	Chair Smith	Closes the informational meeting and adjourns the meeting at 2:15 p.m.

EXHIBIT SUMMARY

B – HB 2295-1 amendments dated 1/29/03, 2 pp

C – HB 2295, prepared testimony, Roger Mansfield, 2 pp

D – Informational materials and booklet– Port of Portland, Keith Leavitt, 3 pp