

# HOUSE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

March 19, 2003 Hearing Room B  
9:00 AM

**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

**ISSUES HEARD:** Committee Met Jointly With the  
Senate Transportation and Economic Development Committee

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
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Please refer to the Senate Transportation and Economic Development Committee Tape Log.

## EXHIBIT SUMMARY

**A. Informational Materials - Gresham's Springwater Community Industrial Land Project, Dr. Charles J. Becker and Terry Vanderkooy, 37 pp**

# HOUSE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

March 19, 2003 Hearing Room D  
1:00 PM Tapes 30 - 31

**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:**        **Informational Meeting**  
   **International Trade Day Presentation**  
   **HB 2300 Public Hearing**

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 30, A</b>		
003	Chair Smith	Calls the meeting to order at 1:12 p.m. and opens the informational meeting.
<b><u>INFORMATIONAL MEETING</u></b>		
020	Rep. Hunt	Introduces the presentation panel for International Trade Day.
035	Gary Neal	Port of Morrow, General Manager. Provides insight on the process of international trade. <b>(EXHIBIT A)</b>
082	Bruce Holte	International Longshore and Warehouse Union, President. Provides testimony on the need for channel deepening funding. <b>(EXHIBIT B)</b>
155	Rep. March	Comments on the importance of this issue.
167	Pete Williamson	Executive Director, Port of St. Helens. States that they are in the industrial recruitment business.
203	Williamson	Discusses the Oregon Business Council Plan and the Governor's Grow Plan Executive Orders 1 and 2.
223	Williamson	Comments on the permitting and land use processes that inhibit private industry.
245	Williamson	Comments on how ports can help create jobs for the private sector but that programs are needed to assist them.
260	Jonathan Schlueter	Pacific NW Grain and Feed Association. Provides an overview of who is represented by the Association. States challenges in maintaining efficiency and improvements necessary to keep that volume of grain moving and the ability to offer products to international markets. <b>(EXHIBIT C)</b>
323	Schlueter	Continues to testify. Discusses dredging the Columbia River.
354	Rep. Richardson	Comments on the cost of dredging being shared by the private sector.
373	Rep. March	Inquires about the depth of the Columbia Estuary area.

381 Schlueter Responds that it is currently 40 feet.  
 381 Rep. Gallegos Asks how many jobs would be created if the dredging was done.  
 385 Schlueter Responds that he has seen the numbers and offers to provide that information at a later date.

**TAPE 31, A**

003 Bob Applegate Senior Manager, Government and Media Relations - Port of Portland. Testifies in support of HB 2267, Oregon Tourism Investment Proposal.  
 059 Rep. Richardson Asks if the provision in this bill is saying that in the future cities will be pre-empted from adding any tourism tax or lodging tax unless it is being used solely for tourism.  
 072 Applegate Responds that the bill grandfathers existing rules and allows cities to raise revenue on hotel/motel taxes and asks that those taxes be dedicated to the promotion of tourism.  
 085 Rep. Berger Requests information on how imports relate to our exports and what the legislature may do to strengthen that sector.  
 090 Applegate Comments that the issue is that steamship lines carry containers for profit. Elaborates. Recommends:  
 • Deepening the channel  
 • Investing in transportation infrastructure.  
 142 Walter Evans Pacific Northwest International Trade Association. Discusses several points on what the channel project means. **(EXHIBIT D)**. Comments that Oregon as a state is dependent on the trade with Asia.  
 229 Chair Smith Comments on the air-shed classification in the Gorge.  
 237 Evans Responds that barging is less damaging to the environment than rail or truck and has the capacity of 35 rail cars.  
 293 Rep. Berger Comments on transportation and highway systems being sound.  
 318 Larry Paulson Port of Vancouver, Washington – Executive Director. Clarifies that the container facilities, the ports, on the Washington state side are connected with Oregon. States that Governor Locke is committed to the channel deepening project.

**TAPE 30, B**

005 Chair Smith Closes the public hearing and opens the public hearing on HB 2300.

**HB 2300 PUBLIC HEARING**

010 Mike Burton Oregon Economic and Community Development Department, (OECD). Begins on page 17, Section 30 of HB 2300 and provides information on the cap of investment.  
 081 Rep. Berger Asks if there is an amendment referring to this/  
 085 Burton Responds noting the change of removing “and” and replacing it with “or”, **(EXHIBIT E)**.  
 087 Rep. March Asks about where distressed is defined.  
 090 Burton Continues testimony refers to page 42, Section 23 and discusses vertical housing tax abatement programs. Explains that three have been approved, two are in Grants Pass. Comments on concerns with the data available from the Employment Department. Continues with Section 44, page 26 explaining the sunset extension on market fund transfers.  
 141 Burton Summarizes policy issues:  
 • Flexibility  
 • Community colleges

- Core revolving funds
- Population and dollar limits
- Employment records
- Sunset

185  
224

Ginny Lang  
Chair Smith

QWEST. Reviews HB 2300-5 amendments (**EXHIBIT F**).  
Closes the public hearing and adjourns the meeting at 2:40 p.m.

### **EXHIBIT SUMMARY**

**A – Informational material, Columbia River Channel Coalition, 5 pp**

**B – Informational correspondence, Bruce Holte, 4 pp**

**C – Informational news article, Jonathan Schlueter, 2 pp**

**D – Informational PNITA, Walt Evans, 19 pp**

**E – HB 2300-4 amendments dated 3/17/03, staff, 13 pp**

**F – HB 2300-5 amendments dated 3/17/03, Ginny Lang, 1 p**