

## HOUSE COMMITTEE ON COMMERCE

January 20, 1998 Hearing Room E

3:30 p.m. Tapes 7 - 8

**MEMBERS PRESENT:** Rep. Jim Hill, Chair

Rep. Ryan Deckert, Vice-Chair

Rep. Al King

Rep. Jerry Krummel

Rep. Bob Montgomery

Rep. Anitra Rasmussen

Rep. Mark Simmons

Rep. Bill Witt

**MEMBER EXCUSED:** Rep. Diane Rosenbaum

**STAFF PRESENT:** Jason Cody, Administrator

Annetta Mullins, Administrative Support

**MEASURE/ISSUES HEARD:**

Overview of the Oregon State of the Economy

Overview of 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.

TAPE/#	Speaker	Comments
TAPE 7, A		
004	Chair Hill	Calls meeting to order at 3:37 p.m., introduces Harrison Conley, staff for the Regulations Subcommittee and opens the informational meeting.

## OVERVIEW OF THE OREGON STATE ECONOMY

016	Sarah Gates	Economist, Office of Economic Analysis (OEA). Present a PowerPoint presentation on the economy ( <b>EXHIBIT A</b> ):
075		<ul style="list-style-type: none"><li>• Reviews world economy</li></ul>
		Issues discussed:
		<ul style="list-style-type: none"><li>• How long outspending income increases is sustainable</li></ul>
110	Gates	Continues PowerPoint presentation ( <b>EXHIBIT A</b> ):
110		<ul style="list-style-type: none"><li>• Economy of Oregon in the 1990s (<b>EXHIBIT A, page 3</b>)</li></ul>
153		<ul style="list-style-type: none"><li>• Oregon's dependence on Asia (<b>EXHIBIT A, page 5</b>)</li></ul>
180		<ul style="list-style-type: none"><li>• Oregon's exports to major trading partners (<b>EXHIBIT A, pages 3-7</b>)</li></ul>
190		<ul style="list-style-type: none"><li>• Slowing of employment growth (<b>EXHIBIT A, page 7</b>)</li></ul>
		<ul style="list-style-type: none"><li>• Construction growth (<b>EXHIBIT A, page 8</b>)</li></ul>
213		<ul style="list-style-type: none"><li>• High technology growth (<b>EXHIBIT A, page 8</b>)</li></ul>
217		<ul style="list-style-type: none"><li>• "Looking Ahead" (<b>EXHIBIT A, page 9</b>)</li></ul>
		Issues discussed:
		<ul style="list-style-type: none"><li>• Dynamics in Asia affecting the United States economy</li></ul>
		<ul style="list-style-type: none"><li>• Economy of Japan</li></ul>
308		<ul style="list-style-type: none"><li>• Cost of living in Oregon compared to the United States average</li></ul>
357		<ul style="list-style-type: none"><li>• Why the per-capita income in Oregon is significantly behind the per capita income across the United States</li></ul>
372		<ul style="list-style-type: none"><li>• Whether unemployment figures are available for Oregon by area or district</li></ul>

380	Gates	Agrees to provide figures on unemployment.
	Gates	Resumes PowerPoint presentation:
390		<ul style="list-style-type: none"> <li>• "Factors Influencing Oregon's Economic Performance" (<b>EXHIBIT A, page 10</b>)</li> </ul>
<b>TAPE 8, A</b>		
		Issues discussed:
014		<ul style="list-style-type: none"> <li>• Factors causing increase in housing costs in Portland</li> </ul>
049		<ul style="list-style-type: none"> <li>• Whether OEA has recommendations to improve the overall standard of living and income in Oregon</li> </ul>
066		<ul style="list-style-type: none"> <li>• How Washington per capita income compares to Oregon and the United States average, and factors that lead to Oregon and Washington being different</li> </ul>
071	Gates	Agrees to provide information on per capita income comparisons.
		Issues discussed:
076		<ul style="list-style-type: none"> <li>• Effect of land use planning on housing costs and the effect of shortage of land on housing in Oregon</li> </ul>
104		<ul style="list-style-type: none"> <li>• Diversity of economy fueled by high tech</li> </ul>
130	Chair Hill	Comments the committee will request OEA to come back after the March forecast.
136	Gates	Responds their office will be glad to return to the committee after the March 1 forecast.
<b><u>OVERVIEW OF OREGON PORTS</u></b>		
151	Ken Armstrong	Executive Director, Oregon Public Ports Association. Introduces Alan Willis, Port of Portland. Submits outline of presentation and explains the issues of concern to the ports ( <b>EXHIBIT B</b> ).
294	Armstrong	Continues presentation on challenges facing Oregon's ports ( <b>EXHIBIT B, page</b>

		2).
330	Armstrong	Continues presentation on deteriorating transportation infrastructure ( <b>EXHIBIT B, page 1</b> ).
346	Armstrong	Continues presentation.
377	Armstrong	Reviews state funding programs for ports ( <b>EXHIBIT B, page 3</b> ).
<b>TAPE 7, B</b>		
015	Armstrong	Explains Dixieland project ( <b>EXHIBIT B, page 3</b> ).
		Issues discussed:
030		<ul style="list-style-type: none"> <li>Whether there are railcar shortages</li> </ul>
041		<ul style="list-style-type: none"> <li>Effect of Pakistan embargo on Oregon wheat farmers</li> </ul>
059		<ul style="list-style-type: none"> <li>Effect of tearing down dams on Port of Portland</li> </ul>
065	Alan Willis	Port of Portland. Comments he has been asked to talk about two key issues for both the Port of Portland and the Oregon Public Ports Association. The issues are channel deepening and freight mobility. Submits papers titled "Columbia River Channel Deepening" ( <b>EXHIBIT C</b> ), "Portland Harbor Cleanup" ( <b>EXHIBIT D</b> ), and "Ross Island Sediment Disposal" ( <b>EXHIBIT E</b> ). Highlights points in paper on "Columbia River Channel Deepening" ( <b>EXHIBIT C</b> ).
139	Willis	Continues presentation ( <b>EXHIBIT C, page 3</b> ).
155	Willis	Comments on the project costs ( <b>EXHIBIT C, pages 4-5</b> ).
		Issues discussed:
200		<ul style="list-style-type: none"> <li>Whether Oregon might receive federal dollars and when those federal dollars might be available</li> </ul>
213		<ul style="list-style-type: none"> <li>Whether the fuel tax purchased by ships goes into a fund to help with costs</li> </ul>
239	Willis	Comments the issues in two other handouts ( <b>EXHIBIT D and EXHIBIT E</b> ) are of statewide significance and the Department of Environmental Quality has a budget package in regard to what is dredge sediment disposal, and standards.

		Issues discussed:
280		<ul style="list-style-type: none"> <li>Whether everyone who needs to be are at the table with DEQ</li> </ul>
300		<ul style="list-style-type: none"> <li>Implications if EPA declares the Portland Harbor area a "superfund" site</li> </ul>
305	Willis	Responds he cannot give an answer on the implications, but will report back to the committee if there is information.
316	Vice Chair Deckert	Requests that the committee be included in distribution of reports.
329	Willis	Adds that the ports will be supporting Associated Oregon Industries (AOI) package; the ports believe it is needed and would like to see more emphasis on freight mobility, including grade crossings for trucks and railroads.
360	Rep. Montgomery	Comments that every barge load is the same as 570 eighteen wheeler trucks. There are 10-15 barges a day and that would be another 6,000 trucks per day driving the Gorge.
375	Vice Chair Deckert	Announces that the committee will meet at 1:00 p.m. on Friday in HR 50. Adjourns meeting at 4:50 p.m.

Submitted By, Reviewed By,

Annetta Mullins, Jason Cody,

Administrative Support Administrator

#### **EXHIBIT SUMMARY**

**A ñ State Economy, copy of PowerPoint presentation, Sarah Gates, 11 pp**

**B ñ Ports, Oregon, outline of comments, Ken Armstrong, 3 pp**

**C ñ Ports, Oregon, paper, "Columbia River Channel Deepening", Alan Willis, 5 pp**

**D ñ Ports, Oregon, paper, "Portland harbor Cleanup", Alan Willis, 1 p**

**E ñ Ports, Oregon, paper, "Ross Island Sediment Disposal", Alan Willis, 2 pp**