

House T&E Committee May 31, 1991 Page

SB 932 - PH & WKS

HOUSE LEGISLATIVE COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

May 31, 1991Hearing Room 343 8:00 A.M.State Capitol Salem, OR

Tapes 201 - Ports Loan Interest Forgiveness

MEMBERS PRESENT: REP. RAY BAUM, CHAIR REP. MARGARET CARTER, VICE  
CHAIR REP. JERRY BARNES REP. CEDRIC HAYDEN REP. VERA KATZ REP. DAVE MC  
TEAGUE

MEMBERS EXCUSED:REP. BOB PICKARD

STAFF PRESENT: JOSEPH CORTRIGHT, EXECUTIVE OFFICER TAMIRA MILLER,  
POLICY ANALYST JERI CHASE, OFFICE MANAGER HOLLY BROWN, COMMITTEE  
ASSISTANT

WITNESSES:

NOTE: These minutes contain materials which paraphrases and/or  
summarizes statements made during this meeting. Only text enclosed in  
quotation marks reports a speaker's exact words. For complete contents  
of the proceedings, please refer to the tapes.

TAPE 201, SIDE A

000 CHAIR BAUM convenes the meeting at 8:33 a.m.

SB 932A (Port Loan Interest Forgiveness) - Public Hearing and Work  
Session

005 JOE CORTRIGHT: Presents Staff Measure Summary on SB 932A  
(EXHIBIT A).

022 PAGET ENGEN: This is supported by the Economic Development  
Department. Presents Testimony on SB 932 -A (EXHIBIT B). On the Senate  
side they took out and appropriation and a limitation section. No more  
than \$500,000 from the Port Revolving fund would be used for this  
program.

068 CORTRIGHT:

070 ENGEN: When you take off the administrative costs

082 CHAIR BAUM:

085 BILL WRIGHT?: We have differentiated between the port  
development projects...On a business project there is likely to be a  
considerable amount of private money involved. We are leveraging 1.1  
on the average.

108 REP. CARTER: How can we keep the small...

119 ENGEN: In the business plan that they do and the...

126 REP. CARETE: Are we going to look seriously at the financial status ..

132 WRIGHT: Yes, the finance committee would subject this application to the same kind of scrutiny it would any application. The intent from the departments administration is that much would be delt with through the adoption of financial rules.

157 SEN. SCOTT DUFF: Example of a sucessful venture with this program. Some of these projects will be leveraged with other dollars. This would assist the production of value added food products.

181 REP. CARTER: My concern is the financial sistuation of the Ports. I want to be sure we dont put some of our smaller ports in a worse situation.

192 REP. BARNES: Should these ports fail who owns these properties?

198 ENGEN: It depends on the Loan contract.

202 WRIGHT: Typically the collateral would be the land and the building so we would hold the morgage.

208 REP. HAYDEN: The buildings are on Port lands. These can be remore buildings from the port?

219 SEN. DUFF: Yes, but it would still be in the port district itself.

222 6WRIGHT: We use our money to buy the building and then lease it.

239 REP. BARNES: How does this fit in with measure %?

242 ENGEN: Port districts are special districts. They do not levy taxes..This does not relate to measure 5 except that it keeps us from having to look at property tax as a source. The Port district could levy a tax but the state couldn't require that they do it.

314 CHAIR BAUM: What is your default rate?

318 WRIGHT: We have never had a default on a loan. We have 6.2 million loaned out.

344 REP. CARTER: Our state has not done a good job of keeping the Ports up.

360 CHAIR BAUM: How much of the grant will be used for the technical assistance grants?

365 WRIGHT: ...

376 REP. BARNES: Do we have any land Ports?

383 ENGEN: All of Oregon's ports are on the water but they don;t all involve water transportation.

401 MOTION: REP. KATZ moves SB 992 to the floor with a Do Pass recommendation.

VOTE: By roll call vote (6-0) SB 992 passes to the floor with a Do Pass recommendation. Voting AYE: REPRESENTATIVES BARNES, CARTER, HAYDEN, KATZ, MC TEAGUE and BAUM. EXCUSED: REPRESENTATIVE PICKARD.

TAPE 202, SIDE A

046 CHAIR BAUM adjourns the meeting at 9:06 am.

Submitted by,

Jeri Chase Office Manager

EXHIBIT SUMMARY

EXHIBIT A -