

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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| Action: | Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference |
| Vote: | 10 - 0 - 0 |
| Yeas: | Bentz, Cameron, Davis, Doherty, Gorsek, Lively, McKeown, Nathanson, Parrish, Read |
| Nays: | 0 |
| Exc.: | 0 |
| Prepared By: | Troy Rayburn, Administrator |
| Meeting Dates: | 4/15 |

WHAT THE MEASURE DOES: Modifies schedule and conditions for issuance of lottery bonds to pay costs of Coos Bay Channel Project. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Project’s timeline and relationship to issuance of lottery bonds to pay project cost
- How moneys will be spent
- Coos Bay Channel Project as an economic driver in both the short and long term
- Depth of channel
- Low impact to surrounding sites and areas

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 5036-A (2007 Regular Session), established a mechanism to provide incremental funding for the Coos Bay Channel Project to support increased maritime commerce and new marine terminal development in the Coos Bay Harbor. At that time, the Oregon International Port of Coos Bay (Port) was in discussions with terminal developers and marine interests to pursue a variety of terminal projects in the Coos Bay Harbor. The Port initiated the required Feasibility Study and Environmental Impact Statement (FS/EIS) utilizing the first increment of financing, \$5 million, under the oversight of the U.S. Army Corps of Engineers, that process is ongoing.

However, the downturn in the international economy delayed new terminal development in the Coos Bay Harbor. House Bill 3464 is intended to revise the dates for distribution of funds in support of the Coos Bay Channel Project to match up with the schedule for the subsequent two project phases and anticipated increases in international commerce that would strengthen the local and Oregon economies. The international marine industry continues to demonstrate interest in the Coos Bay harbor.

The Port is continuing the Coos Bay Channel Project, and anticipates completion of the FS/EIS in early 2015. At that time, the Port will pursue the next increment of lottery bond funding to continue with the engineering design component of the Coos Bay Channel Project. Upon completion of that phase, the Port will seek the third increment of financing to support construction of the modified Coos Bay channel.