

CITY of REEDSPORT

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February 14, 2017

Dear Ports of Oregon,

I am writing regarding **House Bill 2902** as drafted by the Oregon Public Ports Association (OPPA). This bill would grant public ports the ability to compete with Oregon small businesses by operating shipyards. As you are hopefully aware, private shipyards make up a large part of the economy on the south coast of Oregon. This industry is directly responsible for the creation and maintenance of hundreds of family wage jobs and help support many other ancillary small businesses. Three such shipyards in Douglas County alone (Reedsport Machine, North River Boats and Fred Wahl Marine Construction), as well as half a dozen supporting businesses, would be directly impacted by this legislation if allowed to go forward as proposed.

Currently the language proposed by the OPPA states that ports would be allowed to:

“Acquire, construct, maintain and operate facilities for construction, repairing or maintaining any type of watercraft.”

The word, ***“operate”*** would set a precedent for Oregon Revised Statutes (ORS) 777.210 by changing the intent of this section. Currently the term is used to describe the types of facilities that can be developed and maintained in support of each port’s respective industries; however, this new provision would afford ports the ability to create businesses that will directly compete with the same. Granted no business can pick its competitors but, as special districts, ports have an advantage over private competitors with tax revenues, personal property tax exemptions and support organizations such the OPPA and Special Districts Association of Oregon (SDAO) all on their side.

There is no argument that ports play a valuable role in job creation and economic development in each respective region they serve but taking ports from supporting industries to becoming competing industries will only serve to harm existing Oregon small businesses. We respectfully request that your Port Commissioners review this matter and decide if the word “operate” should be included in this bill. If you agree that it should be removed, please contact the OPPA and your local legislative representative.

Sincerely,

(OVER)

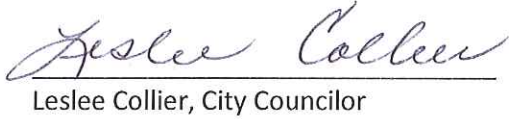
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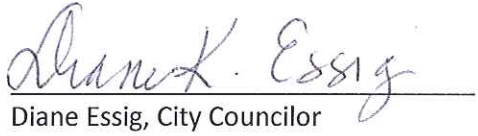
February 14, 2017


Linda McCollum, Mayor


Frank Barth Jr., City Councilor


DeeDee Murphy, City Councilor


Leslee Collier, City Councilor


Diane Essig, City Councilor


Rich Patten, City Councilor


Debby Turner, City Councilor

House Bill 2902

Sponsored by Representative GOMBERG; Representative SMITH DB, Senators JOHNSON, ROBLAN (at the request of Oregon Public Ports Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Authorizes ports to acquire, construct, maintain and operate shipyards.

A BILL FOR AN ACT

1
2 Relating to port shipyard activities; amending ORS 777.210.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 777.210 is amended to read:

5 777.210. A port may:

6 (1) Establish, operate and maintain water transportation lines in any of the navigable waters
7 of this state and waters tributary thereto, any portion of which may touch the boundaries of the
8 port.

9 (2) Engage generally in the business of buying and selling coal, fuel oil and all kinds of fuel for
10 watercraft of all kinds.

11 (3) Acquire, construct, maintain [*or*] **and** operate sea walls, jetties, piers, wharves, docks, boat
12 landings, warehouses, storehouses, elevators, grain bins, terminal icing plants, facilities for pro-
13 cessing agricultural, fish or meat products, bunkers, oil tanks, ferries, canals, locks, tidal basins,
14 bridges, subways, tramways, cableways, conveyors, power plants, power transmission lines, adminis-
15 tration buildings and fishing terminals, and modern appliances and buildings for the economical
16 handling, packing, storing and transportation of freight and handling of passenger traffic with full
17 power to lease and sell the same, together with the lands upon which they are situated, whether
18 held by the port in its governmental capacity or not.

19 (4) For the public convenience and the convenience of its shipping and commercial interests,
20 may improve all or any portion of the waterfront of its harbors, rivers and waterways.

21 (5) Enlarge its tidal area, and construct, excavate [*or*] **and** dredge canals and channels con-
22 necting its waterways with one another or with other waterways and the sea.

23 (6) Acquire, [*or*] construct, maintain [*or*] **and** operate airports anywhere within the port.

24 (7) Acquire, construct, maintain, operate, support, promote [*or*] **and** invest in facilities and re-
25 lated activities for the propagation of fish in accordance with the commercial fishing laws.

26 (8) **Acquire, construct, maintain and operate facilities for constructing, repairing or**
27 **maintaining any type of watercraft.**

28

NOTE: Matter in boldfaced type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in boldfaced type.