

Sen. Fred Girod

Member, Senate Committee on Business and Transportation

900 Court St. NE, Rm. 140A,

Salem, Oregon 97301

Re: HB 2902 – Authorizes ports to acquire, construct, maintain and operate shipyards –

Dear Senator Girod:

We are writing to register our support for a modified version of HB 2902, authored by Oregon Public Ports Association. We don't object to allowing public ports to provide haul out facilities for use by boat owners and private contractors. We do object to allowing public ports to directly compete with private shipyards for new construction and repair work.

If a public port finds that existing private sector shipyards are insufficient to meet market needs, that port should come forward and identify such insufficiency. Otherwise, this legislation authorizes public ports to drive existing marine repair facilities out of business. Privately funded companies working on the coast already have to overcome a limited industry, with a limited clientele, lack of available skilled workers, and the high cost of getting materials to the coast. Ports have a distinct advantage with tax revenues, property tax exemptions, and support organizations on their side. Allowing public entities to operate shipyards will create unfair competition for private shipyards, resulting in job creation for a few ports at the expense of the existing shipyards. As the fisheries become more regulated even fewer boats are likely to be operating in the future further shrinking the market share for each shipyard.

As previously stated we acknowledge that there can be a need for port districts to develop properties to support the requirements of the commercial and recreational boating public, we feel that those facilities should be for the use of boat owners and private contractors to perform the shipyard work. Therefore we do not support a port being allowed to *"....operate facilities for constructing, repairing or maintaining any type of watercraft."*

We propose to delete the wording "and operate" from paragraph 8 of the bill so it reads as follows:

*(8) Acquire, construct, maintain facilities for constructing, repairing or maintaining any type of watercraft.”*

Please support amending HB 2902 to remove the word operate.

If you have any questions or require anything additional from us, please do not hesitate to contact us.

Jim Zimmer

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