



February 8, 2017

Oregon House Transportation Committee  
Oregon State Capitol  
900 Court Street, NE  
Salem, Oregon 97301

Dear Chair McKeown and Members of the Committee:

On behalf of Georgia-Pacific Wood Products LLC, I write in support of HB 2695.

The proposal makes changes to Oregon's maritime pilotage statute, ORS 776.405(1)(c), to allow U.S. tugs and barges that meet all federal pilotage requirements and transport forest products between British Columbia and Oregon ports to enter without additional pilotage requirements and expensive fees.

Passage of HB 2695 helps Oregon forest products manufacturers remain competitive regionally by creating a level playing field. By making Oregon's law consistent with Washington's law, forest products manufacturers bringing products in via the Coos Bay port avoid expensive pilotage fees, which currently add up to \$7,500 to \$8,000 per delivery and hundreds of thousands of dollars annually. U.S. tow companies are required to hire a Coos Bay Pilot when barging forest products from British Columbia to Oregon. The same company does not have to hire an equivalent pilot when entering a Washington port. However, the same tugs and barges do not have to take an Oregon state pilot when coming from other U.S. ports. This requirement is not due to safety considerations; it is simply a question of whether the tug is sailing under its "coastwise" endorsement or was engaged in a foreign voyage.

HB 2695 does not impact safety. The pilots of the vessels effected by this proposal are the same pilots that regularly enter Coos Bay from other locations in Oregon, Washington, and California. They all have U.S. Coast Guard "coastwise" endorsements, are trained, are licensed, and operate under federal laws.

Last, imposing costs on this very limited segment of barge transportation into Coos Bay does not benefit the public. The expensive pilotage fees place financial stress on the competitiveness of Coos Bay mill operators, further jeopardizing family wage jobs in the forest products industry and hurting the coastal economy.

U.S. commercial vessels transporting between Oregon ports and other ports on the West Coast, Alaska, and Hawaii are not required to hire a licensed state pilot when entering an Oregon port. These vessels operate under U.S. Coast Guard "coastwise" endorsements and are covered by federal pilotage laws. Foreign vessels and foreign tugs going to Oregon ports are not covered by federal pilotage laws and must still hire a local pilot licensed by the Oregon Board of Maritime Pilots.

Your consideration and support of HB 2695 is appreciated.

Calli M. Daly  
On behalf of Georgia-Pacific Wood Products  
Regional Manager, State Government Affairs  
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