

Dear Senator Brian Boquist,

HB2284: As your Joint Transportation Committee hears testimony and reviews options, please take into consideration the following.

As mandated by the State through ORS 777.065 the Port of Newport is a cargo moving Port. As supported locally by the District through passage of Bond Measure 21-114 in 2006, the District indebted itself with 15.4 million dollars to rebuild the 2 docks at the Newport International Terminals to further shipping. Connect Oregon has invested millions into this reconstruction project for the purpose of Cargo movement. Upon completion of the project the Army Corp of Engineers fully dredged the channel in preparation for ships including chisel dredging along the face of the larger ship dock to a depth of 35 feet to better accommodate berthing of ships.

The Port of Newport is cargo capable and more so since the latest improvements. Peak cargo movement in the past has included 22 ships per year plus an average of 2 barges per month. These ships averaged 500 to 600 foot in length and included partial to full loads of cargo. Under the current (2014) tariff rates each 500 foot ship loading cargo for 7 days would bring in \$104,000 with zero cost to the Port. This is much needed revenue for the Port District.

To protect the State, Federal and Local investments for the purpose of shipping, the preferred option with HB2284 would be to move it forward through the necessary legislative channels and secure signature by the Governor. Having Commissioners appointed rather than elected in this small district will greatly insure the continuance of Cargo Movement.

If moving HB2284 to the chamber for a vote is not possible the second preferred option would be to table the HB2284 for a season to wait and see how things work out with the new Port Manager they have hired.

The least preferred option for HB2284 would be to return it to the voters of the district for approval. The lobbying capability of the non-profit association, Midwater Trawlers Cooperative (MTC) and friends is unsurpassed. MTC in 2018 spent \$130,000 in lobbying efforts. The Fisherman Wives group is heavily involved locally and has great influence. They together have already been on the march to the County, City and other groups lobbying against HB2284. They have tens of thousands to spend on a campaign to resist passage of any local referendum that would be in favor of Commission appointments by the Governor. Financially and number-wise this small district of 3000 voters are outgunned and already overwhelmed by their efforts.

If the language of HB2284 is returned to the District for a vote, it will fail. The result will be that the legislatures hands will be tied to intervene any further as the District will have spoken.

If HB2284 is not going to be forwarded to the floor of the Chamber for a vote, please table HB2284. Please do not send this back to the District for voter approval. It will fail. Newport will permanently become a Fishing Port, bringing great loss to the State, the region and the financial well being of the District. Cargo Movement will be dead.

With all sincerity,

Rob Halverson,
Past Port of Newport Commissioner