



HB 3382 – Deep Draft Channel Improvement Act

ORS 775.065: The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for commodities exported from the ports of this state has great potential for diversifying and improving the economic base of the state. Therefore, development and improvement of port facilities suitable for use in world maritime trade and the development of deep-water port facilities at Astoria, Coos Bay, Newport, Portland, and St. Helens is declared to be a state economic goal of high priority. All agencies of the State of Oregon are directed to assist in promptly achieving the creation of such facilities by processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary.

Yet two recent Land Use Board of Appeals (LUBA) cases have created a significant obstacle for Oregon's deep-water ports who seek to obtain local land use approvals for new dredging that will result in improved navigational safety, the frequency of calls, and permit larger vessels to call on Oregon's deep-water ports. As a result, getting a Goal 16 exception will be much more difficult, time consuming and costly for our ports with no guarantee that an exception will be approved – thereby threatening our port's ability to expand world maritime trade and continue to improve our state's navigation facilities. In fact, some attorneys have speculated that the ruling will make it nearly impossible to expand federal navigation channels to accommodate larger vessels or increase frequency of navigation which is contrary to the state's port policy.

Under LUBA's ruling, Goal 16 is interpreted to effectively prevent any expansion or related improvement of navigational capabilities beyond the presently existing level of navigation, regardless of port -related commerce benefits or improved transit safety/opportunities if an estuarine area would potentially be impacted by the expansion regardless of proposed mitigation.

HB 3382 is intended to address this newly created and strict prohibition against new dredging subject to Goal 16 and would only apply when an expansion of a federally approved navigation channel is sought by one of the specific ports named in the proposed legislation.

Our deep-water ports participate in an extremely competitive global shipping market. And dredging by our ports and the US Army Corps of Engineers is done in manner that is highly regulated and environmentally responsible. Our Federal navigational channels are like our roadway network. They need constant maintenance, upkeep, and modernization to remain attractive to international shippers and land-side importers and exporters. For decades the Legislative Assembly has recognized the importance of our deep-water ports and the economic development potential that they have. Furthermore, Oregon ports are responsible for over 100,000 direct, indirect, and induced jobs in Oregon, thousands of which are well paying family wage jobs with great benefits in communities that desperately need them.

HB 3382 will help bring some certainty to Ports as they try to attract new economic development opportunities that our federal channels can be maintained or improved to promote safety, increased frequency of transits or larger ship sizes. For our ports to be successful in a globally competitive marketplace they must be able assure to industry that our navigational channels will be able to accommodate their needs.