



OREGON
ASSOCIATION OF
NURSERIES

**Testimony before the Joint Committee on Transportation
House Bill 2098 - Relating to the Interstate Bridge Replacement**
By Jeff Stone, Executive Director, Oregon Association of Nurseries
April 27, 2023

Co-Chairs Frederick and McLain, members of the joint committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. Please accept and consider my written testimony in support of House Bill 2098 with the Dash 2 amendment.

The nursery and greenhouse industry is dependent on the movement of freight and has a vested interest in the replacement of the Interstate Bridge. In 2017, the OAN was a full-throated supporter of the HB 2017's transportation package and the funding triggered to make it happen. We are in a unique position to make progress on the bridge replacement with the State of Washington committing \$1 billion and leveraging those dollars with Oregon to maximize available federal dollars.

Background on the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, with over \$1.3 billion in sales across the nation and the globe. Nationally, Oregon ranks third in nursery production. Nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. The nursery industry employs more than 10,000 full time workers with an annual payroll over \$402 million. We send ecologically friendly, carbon sequestering, green products out of the state, and we bring traded sector dollars back to Oregon. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

Invest now, the cost is not going to drop in the future

It is easy to be convinced that the bridge is about Portland. We can assure you it is not. As an industry that is both urban and rural, our transportation system impacts products and people going north-south and east-west. Time is also a huge factor when considering that freight needs to move through the largest choke point on the interstate system from Canada to Mexico. With momentum and funding opportunities available during this

fiscal year, it would waste taxpayer funding by delay. Nothing in the nursery and greenhouse industry supply chain is cheaper than it was before – and we expect that trend to continue into the future. This is why HB 2098 cannot fail. The Oregon Association of Nurseries supports the legislature’s proposal to invest much needed dollars into Oregon’s transportation infrastructure. We support efforts that encompass a long-term vision and investment in transportation because it serves as a cornerstone of sustained economic growth. Freight mobility and congestion in the Portland Metro area are very important to Oregon’s nurseries as they must get their products to market in a timely manner.

Freight mobility is critical to Oregon’s economic stability

I am fortunate to represent the OAN on the Oregon Department of Transportation’s (ODOT) Freight Advisory Committee and have served in this role for almost a decade. I take time away from my duties as executive director because freight mobility and the price of congestion have real economic impacts. In some areas, it is taking three or four trucks to provide the service that one truck used to provide. Take, for example, an Oregon grower who ships \$15,000 worth of plant material to a retailer in New York. When transportation costs were \$3,500 to \$4,000 instead of the current \$7,000, the economics made sense to the customer. However, transportation costs threaten to drive Oregon nursery product prices so high that customers will begin choosing products from other states. Freight mobility is not only essential to the success of our industry, but it is one of the largest cost inputs for our products. Freight is a two-way street. As congestion continues to mount, we become less attractive to freight haulers. The result is increased shipping costs and less reliability.

The transportation system impacts labor on the farm

Many do not realize it can take between 2-5 hours of labor to load a semi-truck. If a truck is late due to congestion, it is very problematic from a labor perspective. Workers are scheduled to arrive during a certain window of time to load the plant material and when this window is missed, the delay could result in adding an additional day to the process and further increasing costs. Additionally, congestion can increase costly trucking time and force time limitations on drivers. Agricultural loading docks are not clustered like industrial parks; rather, they are located on nurseries and farms. Therefore, it is essential that state and regional policymakers consider the effect that growth and congestion will have on the county and local roads that serve rural communities and the agricultural industry.

Funding is complicated, but so is economy

During the OAN’s briefing on the interstate bridge replacement by ODOT staff earlier this month, the topic of tolling and other revenue issues was a primary concern. It is important, from our standpoint, that any tolling be for the construction phase and not in perpetuity. With more electric vehicles on the road, the old method of operation and maintenance of our transportation will need to evolve. The OAN would like to be part of that conversation and commit to work with the legislature to seek a balance. Thank you for your time and consideration and the OAN looks forward to working with you. Please support House Bill 2098-2.