



# LC 291

## 2019 Newport Economic and Business Reinvigoration Act

### BACKGROUND

The Port of Newport is a small, deep draft ocean port on the Central Oregon Coast. It is a vital part of the economic engine of the Oregon Port System. While small, it offers an opportunity to move agricultural and manufactured products from the mid-Willamette Valley and rural Oregon into the international marketplace.

### HISTORY

In 2010, the Port of Newport, in conjunction with the Oregon Economic Development Department and Business Oregon, put together a joint plan to construct a modern International Dock that would allow for a robust and diverse economy in the area — with the added benefit of potentially reducing truck traffic in the transportation of goods to Portland, Tacoma and Seattle for shipping to international markets.

Over \$35 million from federal, state and local funds went into the dock's redevelopment, including a \$15 million general obligation bond from the Port of Newport. This investment helped protect the Yaquina Bay Estuary, cleaned the Brownfields, opened the port to international trade, and promoted a new wave of subsequent investment in the area.

### TODAY

Despite these efforts and significant investments by local residents, the State of Oregon and the EPA over the past several years, the Port of Newport has been mired in inactivity and disarray. This disarray has resulted in the loss of knowledgeable leadership and the inability to attract and retain quality managers to lead the Port to realize the vision of previous management teams. Additionally, the Port continues to lack the robust financial capacity to repay current debt and attract new business partners for the economic expansion needed to reinvigorate and diversify the Newport economy.

### SOLUTION — LC 291

We are asking you to support and co-sponsor LC 291 with our Chief Sponsor, Rep. Greg Smith, to move the Port of Newport forward, fulfilling its role as part of the economic engine needed for the State of Oregon. This legislation would provide for a robust Port Commission, bringing it into line with other ports throughout Oregon. LC 291 would accomplish this by:

- Designating Newport as an “International Port,” similar to the ports of Coos Bay and Portland.
- Authorizing the governor to appoint five commissioners representing a diverse and broad-based pool of knowledge and demonstrated expertise.

The Governor would be required to appoint a commission representing the following key partner groups:

- Fishing industry
- Agricultural/Timber Community
- Local Chamber of Commerce or small business interests (outside of the fishing industry)
- Labor union representative from the International Longshore and Warehouse Union
- At-large representative; one member not affiliated with interests already represented on the commission



# DRAFT

## SUMMARY

Renames Port of Newport as Oregon International Port of Newport.

Provides that commissioners of port are appointed by Governor for staggered two-year terms. Sets forth qualifications for commissioners.

Provides that currently serving commissioners shall complete their terms unless earlier discharged by Governor.

## A BILL FOR AN ACT

1

2 Relating to the Port of Newport.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) The Port of Newport is renamed the Oregon Inter-**  
5 **national Port of Newport.**

6 **(2) ORS 777.135, 777.137, 777.155, 777.160 and 777.165 do not apply to**  
7 **the port.**

8 **(3) Except as provided in subsection (2) of this section, the port has**  
9 **all the powers and duties of a port formed under ORS 777.010 and**  
10 **777.050.**

11 **SECTION 2. (1) The power and authority given to the Oregon**  
12 **International Port of Newport is vested in and shall be exercised by a**  
13 **board of five commissioners. The board may exercise such powers, at**  
14 **regular or special meetings, as are usual and customary with similar**  
15 **bodies.**

16 **(2) Commissioners of the port shall be appointed by the Governor,**  
17 **subject to Senate confirmation in the manner provided in ORS 171.562**  
18 **and 171.565.**

19 **(3) A person is eligible for appointment as a commissioner of the**

1 port who at the time of the appointment is a citizen of the United  
2 States and who has for one year immediately preceding appointment  
3 resided within the port.

4 (4) The term of office of a commissioner is two years, but each  
5 commissioner serves at the pleasure of the Governor.

6 (5) Before the expiration of the term of a commissioner, the Gov-  
7 ernor shall appoint a successor. A commissioner is eligible for reap-  
8 pointment. In case of a vacancy for any cause, the Governor shall  
9 appoint a person to serve for the unexpired term. A commissioner  
10 whose term has expired shall continue to serve until the appointment  
11 of a successor unless discharged by the Governor.

12 (6) If a vacancy occurs by death, resignation or discharge of a  
13 commissioner, the vacancy shall be filled by appointment by the Gov-  
14 ernor for the unexpired term.

15 **SECTION 3.** Each office of commissioner of the Oregon Interna-  
16 tional Port of Newport is designated by a position number. When ap-  
17 pointing a commissioner, the Governor shall appoint an individual  
18 meeting the following qualifications at the time of appointment:

19 (1) For position 1, an individual whose occupation is related to the  
20 fishing industry.

21 (2) For position 2, a member of a labor union representing  
22 longshore workers.

23 (3) For position 3, an individual whose occupation is related to the  
24 agricultural industry.

25 (4) For position 4, an individual who is a member of a local chamber  
26 of commerce, or an individual who represents small business interests  
27 outside of the fishing industry.

28 (5) For position 5, an individual representing the interests of the  
29 local community.

30 **SECTION 4.** Notwithstanding the term of office specified in section  
31 2 (4) of this 2019 Act:

1 (1) Commissioners who are serving on the board of the Oregon  
2 International Port of Newport on the effective date of this 2019 Act  
3 shall continue to serve until the expiration of their term, unless ear-  
4 lier discharged by the Governor.

5 (2) If the Governor discharges a commissioner who is serving on the  
6 effective date of this 2019 Act before the expiration of that  
7 commissioner's term, the Governor shall appoint a replacement com-  
8 missioner to serve for the remaining unexpired term of the discharged  
9 commissioner.

10 (3) Except for commissioners appointed to replace a discharged  
11 commissioner under subsection (2) of this section, the first two com-  
12 missioners appointed to the board of the Oregon International Port  
13 of Newport by the Governor shall serve an initial term of one year. If  
14 the Governor appoints more than two commissioners simultaneously,  
15 the Governor shall specify which two of the commissioners are to  
16 serve an initial one-year term.

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