



Oregon

COASTAL NOTES

June 16, 1989

HB 3219 (spring gillnet ban) Passes House Water Policy Committee

by Onno Husing, Legislative Fellow

This week I observed just how unpredictable the state legislative process can be during the last weeks of the session. On Monday, June 12, 1989, when House Water Policy was reactivated, Representative McTeague tried once again to eliminate the spring chinook gillnet fishery from the lower Columbia River. McTeague, who has dedicated himself to removing gillnetters off the Columbia, joined with Representative Dix and Representative Dwyer (chair of the House Water Policy Committee) in passing the ban the gillnetter bill out of Committee. Only Representatives Pickard and Norris (both Republicans from Eastern Oregon) voted against the measure and have initiated a minority report. (See "Quote of the Week" for Rep Hanlon's response.)

Minority reports are often issued when there is strong disagreement in committee over the content of legislation. The purpose of a minority report is to provide an alternative to the original bill. Once a minority report is issued, the original bill becomes the "majority report". Minority reports range from being entirely different from the majority report to being nearly identical with the majority report. Minority reports accompany the majority report to the floor and are debated and acted upon sequentially.

In this case, Representatives Norris and Pickard proposed to use SB 896 (see earlier issues of Coastal Notes) as the minority report. Under SB 896 (which has already passed the Senate), the issue of Columbia River gillnet fisheries would be analyzed along with other fisheries issues involving Washington and Oregon by a Joint Interim Legislative Committee. Supporters of the SB 896 process have maintained all session long that getting state legislators up to speed on these complicated regional issues and industries during the

interim (when they can focus their energies) would provide the most effective means to resolve these complicated resource policy issues. Therefore, with the minority report, once the HB 3219 gets to the House floor, the legislators will have the option of choosing between a study of the issue versus a potential ban of a commercial fishing industry.

As the work session proceeded, Representative Dix asked McTeague why he wouldn't accept SB 896 as an alternative to the ban called for under HB 3219. McTeague angrily responded, "We've studied this issue to death", and argued that the time was right to get those boats off the river. McTeague was not going to be denied. He was going to push for HB 3219 and those in the Committee would have to go on the record as opposing or supporting the ban. Dix tried to reason with McTeague explaining to McTeague that under HB 3219, without the state of Washington adopting the same policy, Oregon fishermen would be put out of work while Washington fishermen continued their gillnet fishery.

McTeague offered several amendments to HB 3219 at an attempt at compromise. McTeague proposed that gillnetters be removed from the river every other year instead of a complete ban on the fishery. In addition, to lower the fiscal impact of the bill (thereby keeping it away from the unresponsive Ways and Means Committee that might keep the bill from reaching the House floor) McTeague dropped the section of the bill that would have authorized ODFW to trap spring chinook for commercial sale. Perhaps it also occurred to McTeague that creating a commercial fishing arm of ODFW would create some problems? McTeague amended the bill so that ODFW would only lease fish traps to the highest bidder (the pref-

erence for Clatsop County residents was dropped).

Further, and very importantly, HB 3219 also seeks to establish a legislative policy that favors recreational fishing - presumably at the expense of commercial fishing. This was a battle McTeague already lost once before this session when his attempt to push for the adoption of HJR 50 instead of HJR 19 (see a previous issue of Coastal Notes) was stalled.

McTeague asked for a vote on HB 3219 and his amendments. Only McTeague voted for them. Immediately following the vote, Dix offered his own amendment to HB 3219 that would prohibit the bill from becoming law until the Washington State Legislature passed "similar" legislation. Again, only Pickard and Norris voted against the proposal.

During the work session Representative Dix played a critical role. Dix, who at the age of 32 has already achieved the status of House majority leader and has successfully cultivated a reputation for being a politically sophisticated, appears to have wanted it both ways. First, by supporting HB 3219, Dix could send a message to some of the more partisan elements of the recreational fishing community that yes, it might be time to re-evaluate the use of gillnets on the Columbia. Many believe Dix ultimately plans to run for statewide office. Perhaps it occurred to Dix that he should support the recreational fishing community.

However, Dix may not fully appreciate the fact that the recreational fishing community is highly diverse. Many moderates in that community believe much more good can be accomplished on behalf of the resource if commercial and sports fisheries join forces - not go to war with each other. The spirit of the

See "Gillnet Ban", Page Two

COASTAL CAUCUS TALKS ECONOMICS WITH EDD

by Onno Husing, Legislative Fellow

Last Tuesday the Coastal Caucus breakfast program was fortunate to have as guest the director of the Economic Development Department (EDD), Bob Buchanan and Duncan Wyse, manager of the Strategic Planning and Policy Unit of EDD. The conversation was sweeping in its scope. From the complexities of Chinese politics (and its effect on international trade) to the intricacies of making small business work in Oregon, Buchanan discussed the challenges facing the Oregon economy in the years ahead. Early mention was made of the "Oregon Shines: An Economic Strategy for the Pacific Century", EDD report. As the principal document embodying EDD's views of regional economic strategies, Buchanan was optimistic that the report would be influential in hammering out some goals for the Oregon economy. With a lot of give and take, Buchanan noted, the report should provide a good basis to evaluate EDD's role in promoting development. In that regard, Buchanan believes the report will be a good "legislative tool" for the next session when EDD's budget comes up for consideration.

Having previously run the Department of Agriculture, Buchanan informed the Caucus that he hoped to use some of the same successful approaches employed by the agricultural commodity commissions to promote such high tech industries such as computer software. "For instance", explained Buchanan, "By forming some of these partnerships, we can begin to ask such industries the right kinds of questions, questions like what kind of academic capacity do they need to encourage investment?"

Buchanan admitted that he simply doesn't have the resources at EDD to do any major port activity. "With our budget, even if we turned over all of our regional strategies money it would only buy us a slip or two", said Buchanan. He hoped that the upcoming regional strategies reports would find some answers to port development. Buchanan speculated, "By clarifying our goals, I think

we will see the various port constituencies line up". Representative Hanne-man asked if there was anything left to be done this session on ports. Buchanan responded that only some of the smaller port projects could realistically be contemplated at this time. Buchanan stated that in the future, the state will have to think about some kind of bonding program on a large scale if Oregon intends to undertake major port improvements such as container facilities.

Members of the Coastal Caucus alerted Buchanan to the problems the "job requirements" provisions built into the Special Public Works Fund presents to port development. Under the current system, it is difficult to point directly to a particular job being created by such infrastructure financing. Many times these infrastructure projects save jobs, not just create them. Buchanan said he would look into the matter.

Representative Hanlon asked, "How does the fishing industry fit into the state's economic picture". Hanlon noted that the EDD report does not discuss fisheries. Buchanan and Wyse regretted the absence of a discussion on fisheries and stated that they would correct their oversight. Buchanan said that "fish are real important, we saw that in the early 1980's when the fishing community suffered, so did everyone on the Coast". Buchanan said it was important to foster some shoreside processing facilities and talked about some of the legal difficulties under federal law of promoting these industries.

Buchanan said that for development on the Coast and elsewhere in the state, it is "really important to focus on fundamentals". Buchanan elaborated by saying this meant, "Goods schools, a better tax climate, resolving problems with the workers compensation system and a functioning unemployment insurance system, without these we will push people offshore or at least away from Oregon".

Representative Schroeder asked about what Oregon has going for it in economic development terms.

"Gillnet" from Page One

recently passed HB 3336 (the fisheries enhancement bill) illustrates this more positive approach.

You could tell that while he wanted to make hay with sportsfishing, he didn't seem to want to anger other powerful interests in the state including the entire North Coast. Therefore, when McTeague denied Dix the opportunity of taking the SB 896 route, Dix chose to go along with McTeague but offer the Washington Legislature provision as a means to water down the political fallout from such a bill. This past winter the Washington Legislature went through this bruising debate and efforts to establish a recreational fishing priority failed. It is difficult to predict the future success of such a bill. It's hard enough to get a handle on what's going on around here.

Again, for this observer, this skirmish is a classic case of imprecise drafting done on the run. "Similar" to future Washington state legislation? How similar? Does similar mean identical? Does similar mean a little alike? Does similar include the other sections in the bill including the year-on year-off language and the preference for sport fishermen? All of these questions and more were left dangling.

We may have an ugly floor fight to look forward to. In any event, it appears there is not much support for HB 3219 in the Senate and the Governor opposes the bill.

"Caucus"

Buchanan said EDD has a reputation for being a "problem solving" agency that can work successfully with business without sacrificing environmental standards. In addition, the quality of life features of the state and the high quality work force (although Buchanan warned that this element is always subject to change especially if the quality of schools are not maintained) are also recognized economic factors for Oregon.

Asked about the effect of LCDC on the economy, Buchanan thought that the argument that Oregon's statewide land use planning pushes people into the state

See "Caucus" Page Three

"Caucus", from Page Two

of Washington was not at all accurate. Buchanan noted that land use planning provides a measure of certainty for future industries. Buchanan also pointed to the unplanned growth of Seattle and Tacoma and the tremendous problems those communities are beginning to face. Buchanan predicted that many Washington communities will push for no-growth policies which can have a powerful impact on sustained economic growth. To summarize, Buchanan noted that there have been problems with land use planning in Oregon, but overall, it's been a big plus.

In terms of environmental regulations, Buchanan stated that the greatest threat to development in Oregon (especially the Coast) comes from the federal government in how they regulate wetlands. "These mitigation procedures and activities are so expensive, just the study phase runs into thousands of dollars and we end up paying \$30,000-40,000 for a project that just a postage stamp in size", Buchanan noted. He continued, "And when we talk major development issues such as in the Portland areas we are talking about millions of dollars".

Buchanan explained that it is difficult to imagine how the United States can continue to compete in a global economy when we attach so many costs to development. "It would be one thing if we only had to compete internally where we could just build these costs into products, But we are not an island and when we enter the world market we put ourselves at a disadvantage". Buchanan didn't advocate a reversal in environmental policies, only that the economic impact of these proposals be understood. Buchanan thought it was especially unfair to require industries to retroactively mitigate for projects they undertook in the late 1970's and the early 1980's when the ground rules for the 404 program were incomplete. Buchanan noted the Spectra-Physics as a worst case scenario.

Buchanan offered the suggestion that the Special Public Works Fund might be used in the future as a means to help with mitigation costs. "But with costs of one to two million a whack",

stated Buchanan, the reach of such a program would be short. Buchanan hoped that more cost effective means to mitigate such as mitigation site banking (consolidating small mitigation activities into single or concentrated sites) and other creative approaches offered the best means to address these problems - not just money.

TWO LAND USE BILLS LEAVE SENATE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

Several Other Bills See Action

Compared with the lengthy negotiations and actions in the House that led to the creation of HB 2288 and HB 2287, the Senate committee acted swiftly to move those bills to the Senate floor. One of two conclusions can be drawn. Either the Senate committee acted in haste, or one can explain the minimal discussion of these bills to the fact that most of the bloodshed had already occurred with these measures and what arrived at the Senate committee were two good bills.

HB 2287 directs the Interim Joint Legislative Committee on Land Use to draw up model procedures for local land use proceedings. Under current law, communities are free to draw up their own procedures. While the model procedures would not be mandatory, proponents of the bill believe they will improve the land use planning process in many communities that have flawed procedures. Previous versions of the bill would have directed DLCD to draw up model procedures. DLCD opposed that approach arguing that they simply didn't have the staff to undertake such an effort, but did testify that model land use procedure would be constructive and supports the bill as amended.

The other bill, HB 2288 (see earlier versions of Coastal Notes) had a much rockier voyage. 1000 Friends offered yet another set of amendments which would expand the notice elements of section 10 of the bill. These amendments were agreed upon before the hearing with other members of the land use community (the counties and the Homebuilders). Under HB 2288, the

notice provisions have been amended as follows: (1) to property owners within 100 feet of the property which is subject to notice where the subject property is wholly or in part within a urban growth boundary; (2) within 250 feet of such property outside of an UGB and not within a farm or forest zone; and (3) within 500 feet of the property where the property is within a farm or forest zone.

The committee voted unanimously to send HB 2288 to the Senate floor with a do-pass recommendation.

In other action before the Committee, Senate Joint Resolution 42 was passed out of committee. SJR 42 would submit to the citizens for a vote the option of changing the Oregon constitution to allow the establishment of a special pollution fund paid for out of gas taxes. Under the constitution, gas taxes can only be used for road improvements. SJR 42 proposes to set up a special gas tax fund on gas wholesalers dedicated as a superfund to clean up leaking underground gas tanks (see an earlier version of Coastal Notes).

Another land use bill, Representative Gilmour's HB 2639, left the committee for the Senate floor with a do-pass recommendation. Under this bill, local governments are expressly authorized to permit 5 or few unrelated individuals to live in a residence in EFU zoned dwellings. Proponents of the bill argued that some counties considered such living arrangements as an accessory use. The bill makes legislative intent clear that the state's land use laws authorizes such activity. The bill passed the House unanimously earlier this session.

QUOTE OF THE WEEK

Representative Tom Hanlon testified before the House Water Policy on Monday, June 12th concerning HB 3219 (Gillnet Ban). Hanlon objecting to the Committee's hasty treatment of this weighty matter stated "An industry that's been in business since 1840 deserves more than an hour's consideration."