

OREGON COASTAL SINE DIE EDITION EYES

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Legislature funds Governor's Watershed Health Benchmark proposal

Salmon restoration gets lottery ticket worth \$10 million

After navigating a legislative labyrinth nearly as complex as the migratory routes of its intended beneficiaries, a \$10 million proposal aimed at restoring two key Oregon watersheds survived nearly intact and will soon spawn a series of projects state officials hope will reverse a steep decline in coastal and Columbia River salmon populations.

The proposal, which started early in the session as the Governor's Watershed Health Benchmark Proposal, finished as part of an omnibus lottery budget bill that served as a focus for a protracted parliamentary battle between the House and the Senate in the closing hours before adjournment *sine die* on August 5. Along the way, portions of the proposal language appeared in no fewer than five separate bills, while funding levels skittered back and forth between a low of \$5 million for the biennium to a high of \$10.25 million.

As finally passed in Senate Bill 81, the proposal funnels about \$7 million from lottery receipts through the Water Resources Department for grants to local governments, volunteer groups and other entities, including newly-authorized local watershed councils, which will contract or agree with the state to carry out watershed restoration projects in the Rogue River and the Grande Ronde basins. Water Resources will retain about \$3 million for the administrative and personnel expenses of the nine state agencies which will participate in the restoration effort.

The projects envisioned in the proposal have taken on a new urgency with the filing this month of petitions to list several populations of native Oregon coho as threatened under the federal Endangered Species Act. Harvest quotas for the coho reached an historic low this season after a U.S. Commerce Department decision drastically reduced recreational fishing for the species and effectively prohibited commercial harvests. Sen. Bill

Bradbury (D-Bandon)—who placed passage of the measure near the top of his list of priorities for the session—said he hoped that state funding will attract additional money and support from federal agencies and from fisheries management agencies in other west coast states. Language attached to the measure as a budget note encourages the Water Resources Department to form partnerships

among public and private agencies and asks it to find ways to "leverage" additional money for cooperative restoration projects.

In addition to the restoration projects included in SB 81, the legislature granted authority in Senate Bill 1075 to Oregon fisheries management agencies to participate with their counterparts in other west coast states in a

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Shellfish testing program wins reprieve with House general fund appropriation

The House Appropriations-A committee revived the state's moribund shellfish testing program with a last-minute infusion of \$500,000 in general fund money for the next biennium after the House Natural Resources Committee removed a funding provision in a Senate bill that would have paid for the program with funds raised from a commercial and recreational shellfish license fee.

The Senate bill, SB 632, had proposed a recreational license fee of \$3 per year for residents and \$6 for non-residents and sought to increase license fees on commercial shellfish producers to meet the \$552,000 biennial costs of testing programs designed to detect paralytic shellfish poisoning (PSP) and domoic acid contamination, primarily in clams and mussels. But fierce opposition at a July 20 hearing from Janice and Shirley Laviolette, who own a Nehalem Bay marina, and from Lincoln County commissioner Rhonda Hamstreet, who operates a marina in Newport, convinced House Natural Resource Committee members, after a 10-minute deliberation the following day, to strip the recreational fee out of the measure. The committee's action, however, left a two-tiered rate increase for commercial growers in place.

The committee also left intact a provision in the bill that transferred the testing program

from the Health Division to the Department of Agriculture. Bill sponsor Sen. Joan Dukes (D-Svensen) said she believed the transfer would better the program's chances for long-term survival because the Department of Agriculture would not have to balance the need for the testing program against the need for important public health programs. That required balancing forced the Health Division to zero-fund the program in its last two budgets, Sen. Dukes said.

But this latest resuscitation of the program still leaves questions about its future in the face of anticipated reductions in agency budgets for the 1995-97 biennium unanswered, Sen. Dukes noted. SB 632's fee structure was intended to provide a stable funding source for the program that would be immune to agency budget cuts, she added.

Marina owners, however, balked at the recreational fee, which they said would put them out of business. Most of her income, Shirley Laviolette told House Natural Resources Committee members, comes from rental fees for crab rings and similar devices—by including crabs in the definition of shellfish, the state would unfairly penalize marina owners and give them no benefits in return. Department of Health officials assured her

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Watershed projects secure funding in last hours of session

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regional recovery effort. That bill followed action earlier this year by the Washington State legislature, which passed legislation that focuses on the restoration of watershed areas as a potential source of employment for at-risk minors and displaced timber workers.

Senate Bill 81 also incorporates two other measures that respond to the problem of declining salmon runs. Removing aggregate or gravel from stream areas the Division of State Lands designates as "essential indigenous anadromous salmonid habitat" will now require a permit under language siphoned from Senate Bill 192, which also appropriates \$225,000 for DSL to study how gravel removal affects stream habitat. The Department of Fish and Wildlife, meanwhile, received \$85,000 to administer a Developmental Fisheries Board charged with evaluating

Agriculture department wins continued funding for shellfish toxics testing

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that crab meat does not suffer PSP or domoic acid contamination, Laviolette said, so the program does not affect her operations one way or another.

Laviolette added that commercial growers, who require the type of testing the program provides in order to sell clams, oysters and mussels in interstate commerce, should bear most of the burden when user groups pay for the tests. Alternatively, dairy farmers and others whose operations contribute to the contamination of bays and estuaries where shellfish grow should be assessed the costs of detecting contamination that results from water pollution, she said.

Up until the last two weeks of the legislative session, prospects for continuing the program past this biennium appeared dim. Both chambers had passed the Health Division and Department of Agriculture budgets with no general fund money set aside for shellfish testing. The House Appropriations committee delayed action on SB 632 until July 31, ultimately passing the version recommended by the Natural Resources Committee and adding general fund money taken from the "ending balance," a sum legislators normally set aside to fund unforeseen or emergency expenses.

the commercial potential of under-harvested fish species. The measure, which originated as House Bill 3622, is intended as an alternative to continued fishing pressure on declining stocks.

Although it passed through the Senate with barely a ripple in its earlier incarnation as Senate Bill 1112, the watershed restoration proposal ran into a series of impediments in the House. In hearings before the House Natural Resources Committee Rep. Larry Sowa (D-Oregon City) argued successfully against an allocation formula giving state agencies 35 percent of the appropriation amount for administrative and personnel expenses, substituting instead a 25 percent allocation. Rep. Sowa also garnered an amendment opening the contracting provisions to private entities and individuals. Although supportive of the measure, Rep. Sowa said he wanted to ensure that the Water Resources Department directed most of its resources and efforts to achieving measurable improvements to stream health.

Other objections included those of Rep. Liz VanLeeuwen (R-Halsey), who said the measure unfairly penalized agricultural interests while ignoring such other potential causes for declines in salmon runs as predation by marine mammals. The committee adopted Water Resources Director Martha Pagel's proposed amendment to the bill's policy language to meet this concern, but a printing error dropped the amendment from the engrossed version of the bill.

The measure then languished as SB 1112-C in the House Lottery Subcommittee while legislators hard-pressed to make up shortfalls in agency budgets and satisfy the clamor to fund other projects divvied up a record pot of lottery earnings, briefly setting a \$5 million allocation for salmon restoration before finally settling on a \$7.5 million figure. In the midst of assembling its omnibus lottery appropriations bill, the Lottery Subcommittee pruned SB 1112 of its policy language, tabled the measure and instead inserted into SB 81 a brief grant of authority to the Water Resources Department to contract for restoration projects and supervise their implementation with the cooperation of other state resource agencies. The committee also settled on a 30 percent allocation for state agency expenses, with the remainder dedicated to grants for projects.

The bifurcation of the watershed enhance-

ment proposal's policy language and its appropriations language had occurred earlier, when the Senate Ways and Means Committee transferred the allocation language in SB 1112 to its omnibus appropriations bill, SB 755. But the House Lottery Subcommittee, in the course of considering similar language in its original lottery appropriations bill, House Bill 5050, pulled most of SB 755's language out, transferred it to SB 81 and combined it with policy language from a number of other bills. This stew served as the starting point for discussions in conference committee after the Senate refused to concur to the House amendments Saturday, July 31.

Those discussions began the following day against a background of developments in other legislative arenas as the session wound toward an anticipated *sine die* date. Fractious partisan and inter-chamber infighting over a bill that would fund the Oregon Health Plan and delay the implementation of an "employer mandate" provision culminated late Tuesday in a House action to "gut" a bill that originally contained a proposal to cut legislators' pay and "stuff" it with the House-passed version of the health plan. The House then sent the altered version to the Senate for concurrence.

The Senate, after two successive, partisan votes, refused the following morning to concur in the House amendments, appointing conferees despite House Speaker Rep. Larry Campbell's (R-Eugene) threat to allow the measure to die by refusing to appoint House conferees himself.

A scheduled conference committee on SB 81 fell victim to the standoff that afternoon when Rep. Campbell recalled the House conferees on that measure, prompting committee chair Sen. Joyce Cohen (D-Lake Oswego) to adjourn in front of an overflow crowd that had anxiously awaited action on the measure in a cramped hearing room stifled by a malfunctioning Capitol air conditioner for more than two hours. Sen. Bradbury then matched the House's action on the Oregon Health Plan by convening the Senate Ways and Means and Revenue committees to consider action on two Senate "gut and stuff" measures that substituted Senate language for the health plan and lottery appropriations, with the intention of passing the revised measures to the House for concurrence.

At that point, policy language taken from SB 1112 again reappeared in House Bill 5003,

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Legislature addresses coastal issues with little fanfare

Although rarely at the forefront of legislative attention or concern this session, bills dealing with coastal issues did see significant action. The following is a list of the final disposition of selected measures that affected the Oregon coast.

HB 2139 deletes a minimum harvest requirement of 1,000 metric tons as a condition for leasing kelp beds off the Oregon coast. The measure encountered no opposition during hearings and took effect July 1, 1993.

HB 2155 permits water users who install conservation measures to recover most of the water saved and permits them to dedicate a percentage to the state for instream uses or for reappropriation. The measure attracted significant controversy during House and Senate hearings and passed after heavy amendment.

HB 2215 encourages the formation of local councils for the management of watershed areas. When introduced, the measure envi-

sioned the creation of local councils under the direction and general supervision of the state Strategic Water Management Group and focused on critical watershed areas. The legislature instead passed an amended version of the measure which encouraged the voluntary formation of watershed councils with little state supervision. The measure also figured prominently in discussions about watershed restoration efforts under the Governor's Watershed Health Benchmark Proposal, which explicitly links its local contracting provisions to the model provided in HB 2215.

SB 911 would have established a limited entry Dungeness crab fishery. Although the measure had significant support from fishery participants, opposition from Newport-based commercial harvesters derailed the measure in the Senate Agriculture and Natural Resources Committee.

SB 938, one of a trio of measures introduced on behalf of the Oregon Trawl Commission, establishes a board within the De-

partment of Fish and Wildlife to examine the feasibility of limited-entry rules for certain Oregon fisheries. The measure passed both houses with only limited opposition. Two other measures requested by the commission, SB 936 and SB 937, died in the Senate Agriculture and Natural Resources Committee.

SB 1075 gives Oregon fisheries management agencies authority to cooperate with federal, tribal and neighboring-state agencies with similar duties in regional fisheries restoration efforts while awaiting the negotiation and adoption of interstate compacts for that purpose. The measure attracted little attention or controversy and passed unanimously in both houses.

SJR 42 calls on fisheries management agencies in California, Washington, Idaho and in the Northwest tribal lands to join Oregon in a regional fisheries restoration effort. Like its counterpart SB 1075, the measure attracted little attention and passed with minimal opposition.

Oregon Health Plan, watershed health bill part of late-night deal

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along with a new appropriations level of \$10 million. The policy language drew protests from representatives of the Oregon Farm Bureau and Boise Cascade, who insisted on a bill shorn of SB 1112's wording, which they said changed the mission of the Water Resources Department and superseded the roles of local watershed councils outlined in HB 2215.

Discussions on the lottery appropriation then revived in SB 81's conference committee late Wednesday night, with House and Senate conferees agreeing on compromise funding levels for a number of programs and with House conferees acceding to Senate demands to fully fund the watershed restoration program. The policy language outlined in SB 1112 and pressed in the Senate version of HB 5003 moved instead to an SB 81 budget note, which conferees took pains to point out did not give it the force and effect of law, but represented instead the committee's strong recommendation to the Water Resources Department for the conduct of the program.

Final action on the measure, however, awaited a compromise on the health plan and on other divisive issues that came near 3 a.m. Thursday morning.

Oregon resolution on Magnuson Act receives brief congressional hearing

A Legislative Assembly resolution seeking specific changes in the Magnuson Fishery Conservation and Management Act received brief notice before the U.S. House Subcommittee on Fisheries Management during an August 10 field hearing held in Portland to consider the reauthorization of the 17-year-old blueprint for federal fisheries management.

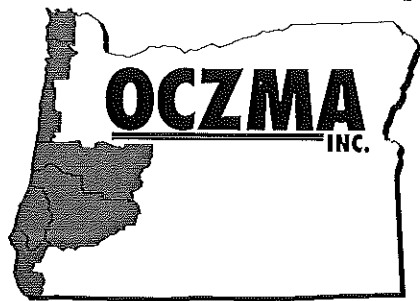
Oregon Coastal Zone Management Director Jay Rasmussen, invited to testify before the committee concerning a decision by the United States Department of Commerce earlier this year to overturn Pacific Fishery Management Council (PFMC) recommendations on the allocation of Pacific whiting, appealed for changes to the Magnuson Act that would prevent a repeat of the Commerce decision. Rasmussen referred in both oral and written comments to language set forth in SJM 5, a measure passed July 14 with only two dissenting votes in the House.

A companion measure, SJM 21, took aim directly at the Commerce Department decision, asking for a General Accounting

Office investigation of the department's decision-making process and for field hearings in Oregon in which coastal residents affected by the decision could express their concerns. It too passed July 14, again with only two dissenting House votes.

The whiting decision has proven to be a significant embarrassment for the department, serving as the subject for two formal House committee hearings and one afternoon's discussion by U.S. Sen. Bob Packwood, who recently visited the Oregon coast.

The Portland whiting hearing followed a hearing that same day directed at another Commerce Department decision that overturned a PFMC recommendation on the ocean harvest of wild coho. That decision is the target of a lawsuit filed by the Pacific Coast Federation of Fishermen's Associations, which charges the department with abusing its discretion by ignoring PFMC-developed scientific and economic data in favor of its own staff recommendations.



The Oregon Coastal Zone Management Association, Inc. (OCZMA) is a voluntary association of coastal counties, cities, ports and soil & water conservation districts established to provide a forum for the resolution of issues of particular concern to the local governments of the coast and the people they represent.

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