



Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development

RE: HB 5024 - Oregon Business Development Department Budget

March 18, 2025

Co Chairs Woods and Gomberg, and members of the committee:

Thank you for the opportunity to provide testimony on HB 5024, the Oregon Business Development Department budget.

The Oregon Seed Council is a trade organization that brings together seed farmers, marketers, brokers, researchers, and others involved in the Oregon seed industry from when the seed is planted to when the seed ultimately makes it to the hands of consumers. Through our membership, the Oregon Seed Council represents approximately 1,300 grass, legume, and specialty seed growers in Oregon, and our industry drives employment in many rural areas of the state, employing an estimated 10,000 Oregonians.

I am writing to express the Oregon Seed Council's strong support of Policy Option Package (POP) 101 *Lower Columbia Dredging* and POP 102 *Port Capital Improvement*.

These POPs provide a critical investment in Oregon's only international container terminal - Terminal 6 (T6). Container services are crucial for the agriculture sector to efficiently ship products to global markets. T6 has been a vital node in our export chain, especially for specialty crops and other agricultural goods.

In 2022, Oregon grass seed was ranked fifth in agricultural commodities in Oregon, with an estimated \$639,100,000 production value for the year.

The Oregon seed industry exports an estimated \$162,824,215 in grass, clover, and forage seeds to 56 countries.

Without marine container services in Oregon, producers would be forced to rely entirely on trucking cargo to ports in other states, resulting in major increases in the costs of doing business and the logistical challenges faced by our farmers and producers adding more burden in a challenging market.

According to the Port of Portland, in 2023, 1,108 containers of grass seed were exported, which equates to 25,729 metric tons of grass seed. Of that, 457 containers moved through the Port of Portland, or 41% of the export market.

In 2022, Oregon was the country's 24th largest agricultural exporting state.



The Port has supported container operations for years and is actively working to find a long-term, financially sustainable solution to maintain container services, but time is needed to complete this work. The funding dedicated in POP 101 and 102 will provide stability, address long-needed investments in this critical infrastructure, while also protecting \$20 million in state and local tax revenue and 1,500+ jobs.

POLICY OPTION PACKAGES

POP 101: *Lower Columbia Dredging.* Funding to support costs associated with the Lower Columbia River Channel Management Plan. Navigation Channel operational another 20 years. Funding Match split between ports between Oregon and Washington.

- Requesting **\$15.16M** in one-time Lottery Bonds (+ other funds for cost of issuance).
- Requesting that the funds be put into the Marine Navigation Improvement fund to fund a portion of the Port of Portland anticipated match. It is expected that the Port of Portland's match could be up to \$70M.

POP 102: *Port Capital Improvement.* HB 3050 Direct the Department to develop a program to provide financial assistance in the form of grants, loans, and forgivable loans to Oregon Port Districts that handle cargo containers used to transport goods. In the near term, HB 3050 will allow the Department to address known capital needs at the Port of Portland's T6 prioritized in the Governor's budget. Over the longer term, the bill will allow the Department to support other ports providing active container service, including the planned Pacific Coast Intermodal Port Project at the Port of Coos Bay and smaller ports providing container service along the Columbia River.

- Requesting **\$20.2M** in one-time Lottery Bonds (+ other funds for cost of issuance).
- Addresses the threat of closure to Terminal 6. The funds would be used for major capital maintenance projects to ensure cranes, pavements, and docks remain in good infrastructure. Funds are not limited to the Port of Portland.

We urge you to support these important POPs: POP 101 *Lower Columbia Dredging* and POP 102 *Port Capital Improvement*.

Thank you for your consideration.

Megan Chuinard
Executive Director
Oregon Seed Council