

Testimony of

Jeff Kropf

Oregon Farmer, former State Representative

on

Millennium Bulk Terminals Longview

before the

Department of Ecology

September 17, 2013

Mr./Ms. Chairman, I am the Honorable Jeff Kropf, fifth generation Oregon farmer, former state Representative and advocate for expanding our regions' export capacity.

As a farmer – and an exporter-, I would like to express my strong support for the proposed Millennium Bulk Terminal project near Longview. I think this is an opportunity for our region to foster the trade and export industry that is central to our economy. With nearly one in four jobs in Washington stemming from the trade industry, the proposed bulk commodity expansions are crucial to the long-term economic health of Oregon and Washington's export industry.

While I am an Oregon farmer, I speak to the topic of Washington exports from both a personal and professional experience –I export from Washington's ports and not Oregon ports. I will explain that in a moment. I own a grass seed farm that exports grass seed crops and straw residue through the Tacoma ports to Asian markets. This opportunity was not always available to a small farm like mine and expanding export opportunities will allow other smaller exporters to take advantage of growing international markets, too. This is why I so strongly support the bulk commodity export expansions: They provide a foundation of new economic opportunities for the region's entire export industry. An example of this the reason my farm crops and straw residue is not shipped from an

Oregon port. Because of limited port facilities in Oregon, it is actually less expensive to ship my farm products from Tacoma, rather than Portland. If the Millennium terminal is built, it may create another opportunity for me to export my products at a lower cost. This increases my profits, giving me greater resources to re-invest back into the region's economy. That's a positive economic outcome for everyone.

Unfortunately, our region's trade industry finds itself at a crossroads. The growing international and domestic competition underscores the urgency why our two states need to find new ways to keep our competitive advantage. Two ways of doing so will be to expand and diversify export opportunities through large, private investments. In response to the changing global trade dynamics, we have seen industries change their export policy in order to stay competitive. For example, Boeing has expanded their exports, while diversifying their export locations worldwide. And closer to home, in order to take advantage of the growing demand for domestic products, we need to have a consistent regulatory process to allow for new business development.

Washington recently announced they will pursue a global environmental review for the Gateway Terminal. Make no mistake: The state's unprecedented, overreaching review of export investments will amount to regulatory paralysis for our

economy. The state has now set the expectation that any commodity from airplanes to agriculture could be evaluated globally. In our trade dependent region, that is nothing short of disastrous.

Our states are bound to have, in some ways, symbiotic relationships. When one state's trade and export industry grows, the other state will feel indirect benefits of the private investment. I worry the same effect will take place in regulatory precedent. Although, the proposed facilities may fall in different states, the issue in question most certainly involves our entire region.

This far-reaching review seems to be fueled by opposition groups, spreading baseless and inaccurate claims that are swaying public opinion. Our region has lost other export opportunities due to similar tactics by opposition groups in years past, who consistently introduce fabricated accusations in order to blur the facts. We cannot let these falsehoods influence a scientific review process.

To protect our economy and minimize the potential damage to trade investment in Washington, the state must commit to advancing trade investments and finalizing this review in a timely manner. We are no longer discussing the potential precedent of an overreaching review –we're dealing with the very real consequences of delaying economic development.

This unfocused, universal review of trade investments will undermine our entire export industry, from larger developers to small farmers, unless the state takes action to minimize the damage done.

I urge the state to conduct an individualized review, specific to the Millennium project –anything short of this will wreak havoc on the state's trade and export industry.

Thank you for your time today; I urge you to reconsider the size and scope of environmental review of the Millennium Bulk Terminal.