

Federal tax reform plan could cost Oregonians

Proposal to end state and local tax deduction

By **CLAIRE WITCOMBE**
Capital Bureau

SALEM — Oregonians could see their federal tax bills increase if a key deduction is overturned by Congress, as a tax reform plan unveiled by the Trump administration suggests. The tax break, called SALT by tax wonks, allows taxpayers who itemize their deductions to subtract the amount they pay in state and local taxes from their taxable income. In 2015, Oregonians deducted nearly \$5.9 billion

in state and local taxes from their federal income taxes. About half of the money deducted came from filers who earned between \$100,000 and \$500,000 that year. Paul Warner, the head of the nonpartisan Legislative Revenue Office, said in a September presentation to the Oregon Senate Finance and Revenue Committee that the repeal of the deduction could “disproportionately affect taxpayers” in Oregon. The policy affects states differently because state taxes differ. Oregon, for example, has a relatively high income tax, but no statewide sales tax. About 29 percent of Oregon taxpayers could see federal tax increases as a result

of a repeal of the deduction, according to figures Warner cited that were compiled by State Tax Notes, a specialty publication. State Tax Notes calculated an average increase of \$573. The change wouldn’t likely take place in isolation, though, as the tax plan made public last week also calls for other changes, such as reducing federal personal and corporate income tax rates. Oregon would likely see dramatic effects if any substantial policy changes are made to federal tax policy, legislative economists said earlier this year. “While the ultimate form of federal tax reform is highly uncertain, Oregon is uniquely positioned to experience significant revenue effects both



A GOP plan to reform the federal tax code could cost Oregonians the deduction of state and local taxes, which totaled \$5.9 billion in 2015.

positive and negative,” they noted in a March report. Not only does Oregon automatically connect itself to any change in federal tax bases, but economists also cited the state’s heavy reliance on the personal income tax and it’s “one-of-a-kind” kicker policy that refunds income tax revenues when they arrive in excess of projections.

Key Oregon lawmakers on both sides of the aisle have criticized the state’s reliance on the income tax for some time now. But the Legislature is unlikely to make big changes to state taxes until 2019, due both to the issue’s complexity and political sensitivity. Warner made his presentation on the heels of a legislative session where lawmakers, the business lobby and union groups were still smarting from a tough union-backed ballot measure campaign to create a tax on corporate sales. Uncertainty about federal reforms was another reason for legislative “foot-dragging” when it came to big changes to the state’s system in this year’s session, said state Sen. Mark

Hass, D-Beaverton. Hass is a leading advocate for restructuring state taxes. Could the repeal of the state and local deduction by a Trump White House and a Republican-led Congress actually provide fuel for largely Democratic Oregon to tinker with its tax structure? Potentially, Hass said. But he’s not holding his breath to see what Congress does on taxes. He pointed to congressional efforts to overturn the Affordable Care Act, which have thus far fizzled, and, he said, could have had a bigger impact on Oregon’s budget. *The Capital Bureau is a collaboration between EO Media Group and Pamplin Media Group.*

Supreme Court case could drain Oregon’s public-sector unions

By **PARIS ACHEN**
Capital Bureau

The U.S. Supreme Court has agreed to consider striking down mandatory fees that support collective bargaining by public-sector labor unions in Oregon and several other states.

The justices will hear the case of Mark Janus, a child support specialist at the Illinois Department of Healthcare and Family Services, who objects to paying fees to the union. A decision to strike down the law would reverse a nearly 40-year precedent that the

court set in 1977 to permit the mandatory fees. “The case has the potential to kill public sector unionism as we know it,” said Keith Cunningham-Parmeter, a law professor at Willamette University who specializes in labor law. “Mandatory dues are the lifeblood of most unions so if the

Supreme Court says that unions can no longer collect those dues, that is going to be a serious cut to the union budgets.” A reversal would likely drain the monetary resources and activities of public-sector unions in 22 states, including Oregon, where obligatory fees are legal. The other 28 states that have “right-to-work” laws that make all union dues voluntary

not believe that working people deserve the same freedoms they have: to negotiate a fair return on their work,” they added. With confirmation of conservative Justice Neil Gorsuch earlier this year, a reversal of existing case law appears likely. Last year, the Supreme Court could not reach a decision in a similar case, *Friedrichs v. California Teachers Association*. A 4-4 tie among the justices reverted the case to the 9th U.S. Circuit Court of Appeals, which upheld its earlier ruling in favor of the teachers’ union.

value of our collective voice.” In the 1977 case, *Abood v. Detroit Board of Education*, the Supreme Court held that public employees could be forced to pay fees for a union’s representational work, but could not be required to pay for political activities. The Janus complaint contends that all public sector collective bargaining activities are inherently political and hence, mandatory fees amount to government-compelled speech in violation of the First Amendment, according to the Olympia, Washington-based Freedom Foundation, which has supported other right-to-work efforts.

FIVE-DAY FORECAST FOR ASTORIA

TONIGHT	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
45	71 / 45	72 / 47	71 / 49	70 / 50
A moonlit sky	Sunny and pleasant	Mostly sunny and pleasant	Comfortable with plenty of sunshine	Mostly sunny and pleasant

ALMANAC
Astoria through Sunday.

Temperatures
High/low 62°/47°
Normal high/low 65°/47°
Record high 78° in 1952
Record low 35° in 1983

Precipitation
Sunday 0.09"
Month to date 0.09"
Normal month to date 0.11"
Year to date 53.30"
Normal year to date 40.35"

SUN AND MOON

Sunset tonight 6:53 p.m.
Sunrise Tuesday 7:17 a.m.
Moonrise today 5:43 p.m.
Moonset today 3:36 a.m.

Full Moon: Oct 5
Last Quarter: Oct 12
New Moon: Oct 19
First Quarter: Oct 27

REGIONAL WEATHER
Shown is tomorrow's weather. Temperatures are tonight's lows and tomorrow's highs.

Astoria 45/71	Portland 42/72	The Dalles 42/71	Pendleton 34/62	La Grande 33/58
Tillamook 40/68	Salem 42/72	Prineville 29/59	John Day 32/58	Baker 31/59
Newport 44/67	Lebanon 39/72	Bend 31/56	Burns 22/58	Ontario 38/64
Coos Bay 45/70	Roseburg 41/73	Medford 38/73	Klamath Falls 30/62	Lakeview 26/57
Brookings 50/77	Ashland 38/70			

UNDER THE SKY

Tonight's Sky: The Big Dipper stands in the northwest early this evening. The dipper is part of Ursa Major, the big bear.

TOMORROW'S TIDES

Astoria / Port Docks	Time	High	Time	Low
12:47 p.m.	7.8 ft.	6:28 a.m.	0.1 ft.	
none		6:49 p.m.	1.0 ft.	

REGIONAL CITIES

City	Today	Tues.	City	Today	Tues.
Baker City	57 31 pc	59 28 pc	Olympia	64 38 pc	69 35 s
Bend	55 31 pc	56 28 s	Pendleton	61 34 pc	62 36 s
Brookings	64 49 s	73 51 s	Portland	64 45 pc	71 44 s
Eugene	65 39 pc	72 36 s	Roseburg	66 41 pc	73 42 s
Ilwaco	64 48 pc	67 49 s	Salem	66 42 pc	72 41 s
Klamath Falls	55 30 pc	62 29 s	Seaside	65 45 pc	69 46 s
Medford	64 38 pc	73 40 s	Spokane	55 38 pc	58 35 pc
Newberg	65 44 pc	71 42 s	Springfield	64 39 pc	72 37 s
Newport	61 44 pc	67 46 s	Vancouver	63 43 pc	69 42 s
North Bend	64 45 pc	70 45 s	Yakima	67 38 pc	68 33 s

NATIONAL CITIES

City	Today	Tues.
Atlanta	78 62 s	78 60 s
Boston	66 51 s	66 53 s
Chicago	81 64 pc	84 68 pc
Denver	56 35 pc	57 40 pc
Des Moines	84 67 pc	78 56 c
Detroit	75 54 s	80 66 s
El Paso	89 64 s	88 68 s
Fairbanks	53 37 pc	56 42 pc
Honolulu	87 74 pc	87 76 pc
Indianapolis	80 60 s	83 63 pc
Kansas City	85 67 pc	78 64 t
Las Vegas	77 58 s	82 61 s
Los Angeles	78 61 pc	75 59 pc
Memphis	81 70 pc	84 67 pc
Miami	86 80 t	86 79 t
Nashville	76 63 s	85 58 s
New Orleans	83 77 r	85 75 t
New York	72 56 s	72 56 s
Oklahoma City	84 68 pc	80 67 t
Philadelphia	75 54 s	75 53 s
St. Louis	85 66 s	84 68 pc
Salt Lake City	53 36 pc	61 43 pc
San Francisco	72 54 s	74 56 s
Seattle	63 47 pc	67 45 s
Washington, DC	76 55 s	76 56 s

TOMORROW'S NATIONAL WEATHER
Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day.

First county needle exchange set

A pilot needle exchange program will hold its first two events Thursday. Two Clatsop County Health Department staff members and another volunteer will conduct the exchanges at two locations. The first will take place from 1 p.m. to 3 p.m. at the corner of 16th Street and Marine Drive, and the other from 3:30 p.m. to 5 p.m. at the Knappa Fire District at 43114 Hillcrest Loop. Exchanges will be conducted from a green Dodge van. Operations will be shut down if

drug use or paraphernalia is spotted, according to a county press release. All exchanges will be on a one-for-one basis, though the county may hand out multiple syringes in the future depending on the case. Those who participate must bring used syringes in containers in order to prevent others from being accidentally stuck. Sharps containers also will be handed out. The program, approved in August by the county Board of Commissioners, is funded through a \$50,000 donation from the Friends of Columbia Community Health.

not believe that working people deserve the same freedoms they have: to negotiate a fair return on their work,” they added. With confirmation of conservative Justice Neil Gorsuch earlier this year, a reversal of existing case law appears likely. Last year, the Supreme Court could not reach a decision in a similar case, *Friedrichs v. California Teachers Association*. A 4-4 tie among the justices reverted the case to the 9th U.S. Circuit Court of Appeals, which upheld its earlier ruling in favor of the teachers’ union. “It’s extremely likely that opponents of mandatory fees are going to prevail this time,” Cunningham-Parmeter said. “All of the tea leaves point to Justice Gorsuch providing the fifth vote to invalidate these ... mandatory fees.” Public-sector union officials refer to mandatory fees as “fair share” fees because the money pays for the cost of collective bargaining and pursuing grievances. Without mandatory fees, workers who decline to join the union would still reap the benefits of the union without paying any of the cost. John Larson, executive director of the Oregon Education Association, said he sees the case as an attack on workers’ rights, but added that the success of unions ultimately depends on “how well can show them the

PUBLIC MEETINGS

MONDAY
Warrenton Community Library Board, 5:15 p.m., emergency meeting on library levy, City Hall, 225 S. Main Ave.
Astoria City Council, 7 p.m., City Hall, 1095 Duane St.

TUESDAY
Community and Senior Center Commission, 10:30 a.m., 1225 Avenue A., Seaside.
Seaside Library Board, 4:30 p.m., 1131 Broadway, Seaside.

Miles Crossing Sanitary Sewer District Board, 6 p.m., 34583 U.S. Highway 101 Business.
Seaside Planning Commission, 7 p.m., City Hall, 989 Broadway.

LOTTERIES

OREGON
Sunday's Pick 4:
1 p.m.: 5-6-5-4
4 p.m.: 9-5-7-9
7 p.m.: 7-9-3-5
10 p.m.: 4-3-8-8
Sunday's Lucky Lines: 01-05-11-13-18-23-28-30
Estimated jackpot: \$25,000
Saturday's Pick 4:
1 p.m.: 8-7-4-2
4 p.m.: 5-6-7-6
7 p.m.: 2-4-9-1
10 p.m.: 9-5-1-2
Saturday's Lucky Lines: 03-06-10-14-18-22-25-32
Estimated jackpot: \$23,000
Saturday's Megabucks: 1-11-15-27-38-42
Estimated jackpot: \$8 million

Saturday's Powerball: 8-12-25-41-64, Powerball: 15
Estimated jackpot: \$94 million
Friday's Pick 4:
1 p.m.: 5062
4 p.m.: 9268
7 p.m.: 8561
10 p.m.: 3635
Friday's Lucky Lines: 01-05-10-13-19-22-28-30
Estimated jackpot: \$22,000
Friday's Mega Millions: 25-51-62-73-74, Mega Ball: 7
Estimated jackpot: \$25 million

WASHINGTON
Sunday's Daily Game: 3-0-6
Sunday's Keno: 04-07-10-15-22-27-30-35-37-45-53-54-56-57-59-65-70-77-78-79

Sunday's Match 4: 06-08-13-20
Saturday's Daily Game: 6-4-5
Saturday's Hit 5: 08-11-29-30-32
Estimated jackpot: \$190,000
Saturday's Keno: 01-04-06-09-13-16-19-24-28-30-43-47-50-53-54-60-61-62-66-74
Saturday's Lotto: 10-28-32-35-47-49
Estimated jackpot: \$4.4 million
Saturday's Match 4: 16-17-20-23
Friday's Daily Game: 4-3-1
Friday's Keno: 06-12-15-17-26-31-32-38-40-43-44-46-47-53-57-60-62-64-69-73
Friday's Match 4: 16-17-18-23

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