

Sales tax not stopping pot shoppers

By NOELLE CROMBIE
The Oregonian

PORTLAND — Oregon's recreational marijuana consumers, at least those who opt to shop in dispensaries, seem to be taking a new state sales tax in stride, many dispensary owners say.

On Jan. 1, after a three-month tax holiday, Oregon imposed a 25 percent sales tax on recreational marijuana sales. The tax will eventually be replaced with a 17 percent state tax once the Oregon Liquor Control Commission assumes control over recreational marijuana sales later this year.

Matt Price, who owns a chain of dispensaries called Cannabliiss, said some customers have shrugged off the tax. "And then," he said, "we have people that say they would rather go back to their 'guy,' so to speak, and walk out."

At Glisan Buds and Foster Buds, general manager Nathan Krytenberg took the radical step of absorbing the tax. Krytenberg is betting on his "strategic decision" to

generate enough additional sales to cover the added cost.

He also hopes the gesture builds customer loyalty in a city where more than 100 shops compete not just with each other but with the well-established black market. The company spread its message on social media and lets customers know about it when they come through the doors.

"To be quite honest with you, if we even take a small hit, I believe the fact that we are doing this will put us in a better market position," said Krytenberg, whose shops sell marijuana for \$9 and \$15 a gram.

Oregon's marijuana enthusiasts have historically enjoyed some of the cheapest prices, particularly when compared with Colorado and Washington, both home to taxed and regulated marijuana markets.

Yet even in Portland, where dispensaries routinely compete for recreational dollars by slashing prices on flowers, the move at Glisan Buds and Foster Buds raised eyebrows among other in the industry. "If you can do it and

make any kind of profit, God bless you," said Sam Heywood, an owner of Farma, a dispensary on Southeast Hawthorne Boulevard where a sign at the entrance reminds customers about the sales tax. "It's aggressive. Is it sustainable? I don't know."

Officials with the Oregon Department of Revenue, the agency charged with collecting the new sales tax, said shops are free to absorb the tax or spread it among the grower, shop and consumer. Ultimately, the agency's chief interest is ensuring the tax is paid in full.

"We have no authority over pricing," said Julia Dodson, a spokeswoman for the agency. "Dispensaries can charge whatever they decide."

The agency won't begin collecting the tax until February. On Friday, officials said only about half of dispensaries selling recreational marijuana have registered with the Department of Revenue, a state requirement.

At Cannadaddy's, a dispensary in outer Southeast Portland, owner Brad

Zusman said he's asked the cannabis growers who supply his store about the possibility of sharing some of the tax burden, but the idea hasn't gone anywhere.

He's not keen on absorbing the tax on his own since it would represent a major chunk of profits; his store on one day alone this week generated \$1,400 in sales taxes, he said.

While he's determined to attract recreational consumers, Zusman said he's redoubled his focus on medical marijuana patients, offering bargain-basement prices on popular concentrates.

Recreational shoppers at his store spend, on average, \$38 to \$45 per transaction, compared with \$100 to \$110 among medical marijuana patients who don't pay any tax, he said.

Medical marijuana patients can also purchase pricier concentrates and edibles — sought-after products that remain off limits to recreational shoppers for now.

"It's really hard for any dispensary to survive just on recreational sales," he said.

New Washington initiative introduced to raise minimum wage

By WALKER ORENSTEIN
Associated Press

OLYMPIA, Wash. — Supporters of raising Washington state's minimum wage filed a ballot measure Monday that seeks to incrementally increase the state's rate to \$13.50 an hour over four years starting in 2017, as well as provide paid sick leave to employees without it.

The initiative was announced at a news conference by a coalition of workers and union members. Washington's current minimum wage is \$9.47 an hour, but the rate is adjusted each year for inflation as measured by the Consumer Price Index for the past 12 months. The yearly recalculation is required by Initiative 688, which was approved by Washington voters in 1998.

For several years, Washington state had the highest statewide minimum wage in the nation, but five states had higher rates starting this year: Alaska, California, Connecticut, Massachusetts, and Rhode Island. Some cities in Washington state already exceed the statewide minimum wage. A draft of the ballot measure said the minimum wage would resume being adjusted for inflation beginning in 2020.

Lori Pfingst, the research and policy director for the Washington State Budget and Policy Center, a Seattle-based organization that supports the ballot measure, estimated it would take until 2031 for the rate to rise to \$13.50 an hour adjusting for inflation without the ballot measure filed Monday.

Seattle's minimum wage is set to incrementally rise

to \$15 an hour and Tacoma voters recently voted to raise the city's minimum wage to \$12 an hour over two years starting this year. The minimum wage for transportation and hospitality industry workers in SeaTac is currently \$15.24 an hour.

Teresa Mosqueda, the campaign director for the Washington State Labor Council, said at the conference that the coalition filed a ballot measure because past efforts in the Legislature to raise the state's minimum wage and provide paid sick leave failed in recent years. Lawmakers debated a bill to raise the state's minimum wage to \$12 an hour over four years last year but it didn't get a vote in the Senate Committee on Commerce and Labor.

Ariana Davis, who works at a Safeway grocery store in Auburn, officially

filed the ballot measure.

"Workers like me deserve to be able to earn a decent wage, I can't tell you how frustrating it is to work countless long demanding hours at a job and still not be able to afford basic necessities in life such as food gas and rent," she said at the press conference.

Sen. Mark Schoesler, R-Ritsville, said in an interview that raising the minimum wage to \$13.50 would be a "tremendous" burden in some parts of Washington, and to some small businesses.

"If you're in counties that have persistently high unemployment rates, it's not so rosy," he said.

Last year's effort to raise the minimum wage to \$12 an hour, House Bill 1355, was reintroduced to the Legislature this year. The primary sponsor is Rep. Jessyn Farrell, D-Seattle.

BRIEFLY

Woman's body found in gravel pit

KENNEWICK, Wash. (AP) — A woman's body has been found in a gravel pit in eastern Washington.

The Tri-City Herald reports that her body was found by man walking his dog in Kennewick Sunday morning.

The Benton County Sheriff's office says the woman is between 45 and 60 years old. A cause of death hasn't been determined.

The Benton County coroner has scheduled an autopsy. Authorities are still investigating.

Bystanders pull two from icy pond

BEND (AP) — A 5-year-old girl and her 18-year-old caretaker were pulled from the icy waters of a Bend park by people passing by.

The Bulletin reports that the girl had been sledding on a snow-covered hill at Discovery Park on Sunday and was not able to stop her sled.

According to the Bend Police Department, the girl slid to the middle of the pond where ice had melted and went under the water. The caretaker entered to pond, but began to struggle and called for help.

A witness called 911 and 52-year-old Diane Allen and 46-year-old Eric Klump pulled the girl and her caretaker from the pond.

Police and fire officials found the pair extremely cold, but without life threatening injuries. Allen and Klump did not need medical attention.

Woman injured in bikini barista stand explosion dies

SEATTLE (AP) — Officials say a woman working

in a bikini coffee stand who was injured when the stand exploded has died.

Harborview Medical Center spokeswoman Susan Gregg says Courtney Campbell died Monday afternoon.

Campbell was injured Thursday afternoon when a fire broke out at Sinners and Saints Coffee in Everett. The fire reportedly spread to a nearby car before the blaze was extinguished.

Assistant Everett Fire Marshal Eric Hicks said Thursday the barista, later identified as Campbell, was inside the stand at the time and that she was burned while escaping the flames.

Hicks told The Daily Herald on Friday that investigators believe a propane tank inside the coffee stand contributed to the fire.

Bremerton manufacturer builds 'virtually unsinkable' boat

BREMERTON, Wash. (AP) — A Bremerton-based manufacturer is working on a line of aluminum boats they call "virtually unsinkable."

The Kitsap Sun reports that Life Proof Boats is launching a line of vessels resembling Coast Guard patrol boats for fishermen in the Northwest.

Life Proof's Micah Bowers says they are working to build a boat for recreation that's more robust than what is currently in the market. Their boats feature aluminum hulls with flotation collars for added buoyancy and stability.

The boats can reach speeds of 60 mph, powered by two 300-horsepower outboards.

Prices start at about \$50,000 and Life Proof has worked with Kitsap Bank to create financing packages.

Corrections

The city of Pilot Rock pays the Pendleton Police Department \$4,000 a month for administrative oversight and also pays for the wages and benefits to have a Pendleton officer patrol streets, answer calls for service and other police duties in Pilot Rock. The East Oregonian in a Dec. 12, 2015, story on the problems small towns face with having police department did not report the additional cost. Pilot Rock in December paid \$6,339 for 120 hours of police work plus the \$4,000 for oversight.

The East Oregonian works hard to be accurate and sincerely regrets any errors. If you notice a mistake in the paper, please call 541-966-0818.

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AccuWeather.com Forecast

TODAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
38° 32°	45° 35°	45° 33°	42° 27°	39° 32°

HERMISTON TEMPERATURE FORECAST
39° 36° 45° 36° 46° 32° 44° 33° 39° 32°

ALMANAC

PENDLETON

through 3 p.m. yesterday

TEMPERATURE

HIGH	LOW
Yesterday 33°	20°
Normals 41°	27°
Records 63° (1953)	-11° (1963)

PRECIPITATION

24 hours ending 3 p.m.	Trace
Month to date	0.06"
Normal month to date	0.62"
Year to date	0.06"
Last year to date	0.23"
Normal year to date	0.62"

HERMISTON

through 3 p.m. yesterday

TEMPERATURE

HIGH	LOW
Yesterday 36°	22°
Normals 41°	28°
Records 61° (2014)	-10° (1937)

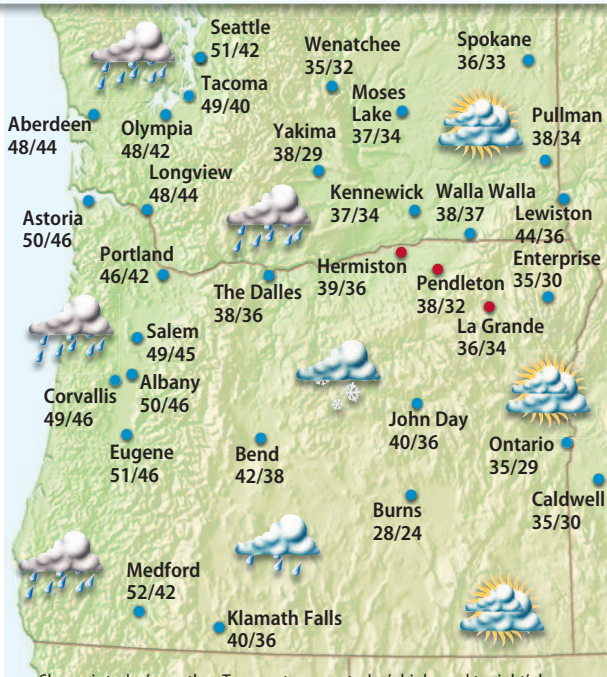
PRECIPITATION

24 hours ending 3 p.m.	Trace
Month to date	0.05"
Normal month to date	0.45"
Year to date	0.05"
Last year to date	0.14"
Normal year to date	0.45"

SUN AND MOON

Sunrise today	7:34 a.m.
Sunset tonight	4:33 p.m.
Moonrise today	9:04 a.m.
Moonset today	8:04 p.m.

First	Full	Last	New
Jan 16	Jan 23	Jan 31	Feb 8



REGIONAL FORECAST

Coastal Oregon: Rain, some heavy today and tonight. A touch of rain tomorrow. Thursday: rain.

Eastern and Central Oregon: Mostly cloudy today. A little rain near the Cascades; a flurry in central parts.

Western Washington: Occasional rain today into tomorrow. Thursday: a little rain.

Eastern Washington: Mostly cloudy today; a little rain toward the Cascades in the afternoon.

Cascades: Periods of rain today; any time across the north, during the afternoon elsewhere.

Northern California: Mostly cloudy today; periods of rain; however, dry in the interior mountains.

REGIONAL CITIES

	Today			Wed.		
	Hi	Lo	W	Hi	Lo	W
Astoria	50	46	r	50	41	r
Baker City	34	31	c	35	24	sn
Bend	42	38	r	44	28	r
Brookings	55	48	r	50	42	r
Burns	28	24	sn	37	20	sn
Enterprise	35	30	c	38	28	sn
Eugene	51	46	r	48	39	r
Heppner	38	35	r	44	31	r
Hermiston	39	36	r	45	36	r
John Day	40	36	c	44	27	sn
Klamath Falls	40	36	c	40	22	c
La Grande	36	34	c	41	30	sn
Meacham	35	33	c	39	31	r
Medford	52	42	r	50	36	r
Newport	52	45	r	49	40	r
North Bend	57	48	r	51	43	r
Ontario	35	29	c	38	27	sf
Pasco	37	33	c	45	33	r
Pendleton	38	32	c	45	35	r
Portland	46	42	r	50	39	r
Redmond	43	38	r	48	28	r
Salem	49	45	r	48	40	r
Spokane	36	33	c	40	31	sn
Ukiah	37	34	c	42	27	r
Vancouver	46	43	r	48	39	r
Walla Walla	38	37	c	46	36	r
Yakima	38	29	r	41	25	c

WORLD CITIES

	Today			Wed.		
	Hi	Lo	W	Hi	Lo	W
Beijing	29	12	s	34	14	s
Hong Kong	64	56	c	67	57	pc
Jerusalem	58	42	s	60	42	s
London	45	35	pc	44	36	c
Mexico City	67	48	pc	64	48	c
Moscow	25	20	sn	31	11	i
Paris	46	37	sh	45	36	pc
Rome	60	45	pc	58	40	s
Seoul	31	16	pc	33	17	sf
Sydney	92	70	pc	84	74	sf
Tokyo	43	38	r	48	38	c

WINDS

(in mph)	Today	Wednesday
Boardman	NE 3-6	NNW 4-8
Pendleton	SE 4-8	SSE 8-16

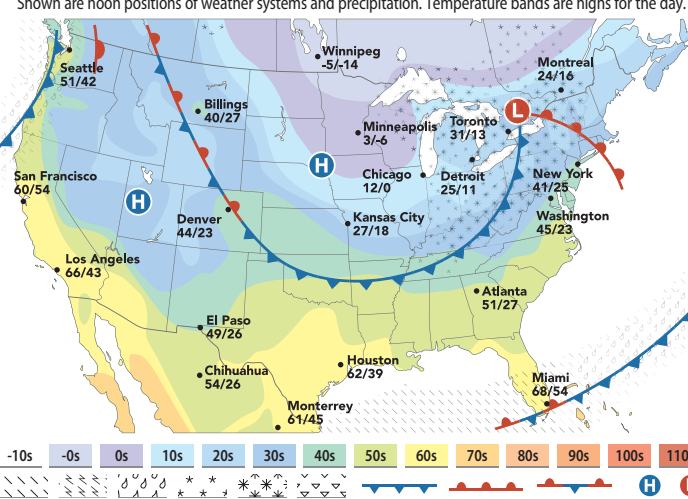
UV INDEX TODAY



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NATIONAL WEATHER TODAY

Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day.



National Summary: A storm will spread a fresh dose of arctic air, flurries and ground-covering snow squalls across the Midwest and Northeast today. Rain will graze the Gulf Coast and will return to the Pacific coast.

Yesterday's National Extremes: (for the 48 contiguous states)
High 73° in Fort Lauderdale, Fla. Low -36° in Cotton, Minn.

NATIONAL CITIES

	Today			Wed.		
	Hi	Lo	W	Hi	Lo	W
Albuquerque	41	20	s	44	23	s
Atlanta	51	27	s	47	31	s
Atlantic City	47	26	pc	32	24	pc
Baltimore	44	20	pc	31	20	pc
Billings	40	27	pc	44	33	pc
Birmingham	51	27	s	49	34	s
Boise	37	32	c	41	29	c
Boston	39	25	sf	33	19	pc
Charleston, SC	56	34	s	53	31	s
Charleston, WV	35	12				