WAGE: First pay bump in July

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he said. "This is another tool to make that happen."

The controversial measure has stirred fears that the increase could threaten the survival of the state's small businesses.

Supporters of a ballot initiative to raise wages to $15 in the next three years said the legislative plan raises wages too slowly given skyrocketing costs.

They have yet to decide whether to pursue placing the initiative on the 2016 ballot. They are continuing to gather signatures but plan to meet in the next couple of weeks to discuss whether there is enough support and resources for the ballot measure to succeed, said Justin Norton-Kertson, campaign manager for Oregonians for $15 Now.

The halls of the Oregon Capitol echoed with fury while the House debated the legislation.

Demonstrators supporting the $15 Now ballot initiative repeatedly disrupted the debate.

First, demonstrators filled the gallery of the House before House Speaker Tina Kotek, D-Portland, ordered them to be removed for interrupting Rep. Duane Stark, R-Grants Pass, during a floor speech and displaying signs.

Then, the demonstrators assembled in the front of Gov. Kate Brown's office, located between the House and Senate chambers, and chanted slogans demanding higher wages and affordable housing.

A flier distributed around the demonstration indicated participants came from 15 Now, Portland Tenants United and several other groups.

Later, the demonstrators started pounding on the doors of the House chamber. Legislators in the back of the

Paris Achen/Pamplin Media Group

Demonstrators chant for higher wages and rent control outside Gov. Kate Brown's office during a floor debate on minimum wage in the House of Representatives.

chamber said they couldn't hear the debate, and some expressed concern for their safety. She said Oregon State Police were addressing lawmakers' security concerns.

The debate stopped for about 20 minutes until demonstrators quieted down.

The bill increases wages to $14.75 in the Portland metro area, $12.50 in rural and coastal areas with struggling economies and $13.50 in the rest of the state by 2022.

The first pay bump would start in July, increasing the wage from $9.25 to $9.75 statewide.

During more than five hours of debate Thursday, the House rejected proposals by Republicans to send the proposal to the ballot.

"Let the 2.2 million voters decide what is best for Oregonians and for themselves," said Rep. Bill Kennemer, R-Oregon City.

Lawmakers also rejected a proposal by Republicans to send the measure to the Joint Committee on Ways and Means for a fiscal analysis.

The legislative fiscal office has said the total cost of the bill to state government is indeterminate because the plan is phased-in and it's unknown how many wages will be affected each year.

"The decision by the majority party to bypass our budget committee in favor of an expedited approach to passing this bill is nearly unprecedented," said Rep. Greg Smith, R-Heppner. "We owe it to Oregonians to fully vet this proposal, figure out what it is going to cost taxpayers and make sure we have a plan for addressing those costs."

Rep. Tobias Read, D-Beaverton, said raising the wage also would save revenue because fewer people would need public assistance.

The minimum gradually would climb to $14.75 in 2022 in the Portland urban growth boundary, which includes parts of Multnomah, Washington and Clackamas counties. It will rise to $13.50 in Benton, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Polk, Tillamook, Wasco and Yamhill counties, and parts of Multnomah, Clackamas and Washington counties outside Portland's urban growth boundary.

In rural areas, the minimum would increase to $12.50. Those areas include Malheur, Lake, Harney, Wheeler, Sherman, Gilliam, Wallowa, Grant, Jefferson, Baker, Union, Crook, Klamath, Douglas, Coos, Curry, Umatilla and Morrow counties.

ENERGY: PUC has expressed concern that the legislation would be costly for ratepayers

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in *The Oregonian* which said members of the Public Utility Commission had concerns about the bill but were silenced by the administration of Gov. Kate Brown. PacifiCorp and Portland General Electric are state-regulated monopolies, and the Public Utility Commission is responsible for vetting the utilities' requests to raise rates.

Republicans sent the request in a letter to the chair of the committee holding hearings on the bill, Sen. Lee Beyer, D-Springfield. The Senate Committee on Business and Transportation is currently scheduled to hold another public hearing on the bill Monday afternoon, and could also then vote on the legislation. The House passed the bill last week. Beyer could not be reached for comment late Thursday afternoon.

"The unwillingness of the Governor to listen to the concerns of utility regulators — experts on how Oregon's utilities function, is concerning," the Republicans wrote in the letter to Beyer, who is a former public utility commissioner. The letter was signed by Senate Minority Leader Ted Ferrioli, R-John Day, and eight other Republicans.

The public utility commissioners have expressed concern in emails and other correspondence released by the state that the legislation would be costly for ratepayers yet do little to reduce carbon emissions in Oregon.

Even if the public utility commissioners testify before the Senate committee, they might not be able to say whether the utilities have produced reasonable estimates of how much the legislation would cost consumers. PacifiCorp and Portland General Electric estimated the bill would cause rates to increase by roughly 1 percent annually, on top of any other rate increases. This week, the EO Media Group/Pamplin Media Group Capital Bureau reported the Public Utility Commission still had not finished vetting the cost projections from the utilities.

House Bill 4036, which was written by the two utilities and environmental groups along with the Citizens' Utility Board of Oregon, would require Portland General Electric and PacifiCorp to use renewable power sources such as wind and solar to serve at least 50 percent of their customers' energy demand in Oregon by 2040, up from the current state mandate of 25 percent renewable energy by 2025.

Facebook, Twitter side with Apple in encryption fight

SAN FRANCISCO (AP) — Facebook and Twitter are siding with Apple in its fight against a court order requiring the company to help investigators break into an iPhone used by one of the San Bernardino mass shooters.

A U.S. has magistrate ordered Apple to produce software that would give investigators access to the iPhone at issue. Apple has until Tuesday to challenge the order, setting the stage for a legal clash that experts say could change the relationship between tech companies and government authorities in the U.S. and around the world.

Twitter's chief executive Jack Dorsey tweeted that the microblogging site stands with Apple Inc. and its CEO Tim Cook and thanked Cook for his leadership.

Facebook in a statement said it condemns terrorism and also appreciates the essential work of law enforcement in keeping people safe. But it said it will "fight aggressively" against requirements for companies to weaken the security of their systems.

"These demands would create a chilling precedent and obstruct companies' efforts to secure their products," the statement said.

The government isn't asking Apple to help break the iPhone's encryption directly, but to disable other security measures that prevent attempts to guess the phone's passcode.

Cook argues that once such a tool is available, "the technique could be used over and over again, on any number of devices," even as law enforcement insists that safeguards could be employed to limit its use to that particular phone. He has posted a 1,117-word open letter on how the FBI's request might have implications "far beyond the legal case at hand."

For months, Cook has engaged in a sharp, public debate with government officials over his company's decision to shield the data of iPhone users with strong encryption — essentially locking up people's photos, text messages and other data so securely that even Apple can't get at it. Law-enforcement officials from FBI Director James Comey on down have complained that terrorists and criminals may use that encryption as a shield.

"This is really a deep question about the power of government to redesign products that we use," said Ryan Calo, a University of Washington law professor who studies data security and privacy issues.

While other tech companies have spoken against broad government surveillance in the past, the Obama administration has recently sought to enlist the tech industry's help in fighting terrorism. Several companies have recently heeded the administration's request for voluntary efforts aimed at countering terrorist postings on social media.

Civil liberties groups warned the fallout from the San Bernardino dispute could extend beyond Apple.

EOTEC: One anonymous donor gave $100K

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the blue a few days ago and handed over $8,000.

He said some major sponsors, including one individual who donated $100,000 to EOTEC, have asked to remain anonymous. After 30 years in the community, he said it doesn't surprise him that the committee has found so many people willing to support the project.

"This area is supremely giving," he said. "People are very charitable."

The committee has already raised the $625,000 needed to build a third barn on the fairgrounds and is very close to reaching the next $600,000 needed for permanent seating in the rodeo arena. The following $700,000 will go toward permanent pens, panels and stalls and an additional $75,000 beyond that would pay for utility hook-ups for RVs at the "extended stay" area.

Barnett said the fundraising committee will continue to look for ways to raise money for EOTEC after April 1 because there are always more things that can be added to improve the facility.

"Every dollar can be spent," he said.

He said people can also donate to the Friends of the Fair and Rodeo nonprofit if they prefer to earmark their donation specifically for fair and rodeo related costs.

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SHIPPING: Puzey 'intrigued' by presentation

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Oregon producers are paying between $500-$1,000 more per container to truck their goods up to Tacoma, Washington. Locally grown agricultural products, such as potatoes, onions and hay, are all shipped overseas in containers.

On Thursday, Mannix traveled to Boardman, Hermiston and Pendleton to discuss his proposal — the Oregon Trade and Container Shipping Act — which he plans to bring to the Legislature in 2017.

"What I hear universally is that we need options. We need Terminal 6 operating," Mannix said during a meeting Thursday morning at the Hermiston Conference Center. "To deal with this problem so far, people are spending more money to ship their products."

Common Sense for Oregon, a political advocacy group founded by Mannix in 2009, has put together a draft version of the Container Shipping Act which Mannix is now circulating among the state Capitol and local communities for feedback.

The bill would establish the Oregon Container Shipping Authority, or OCSA, focused on restoring efficient container service to Portland. It would be run by a board of nine directors appointed by county commissioners from across Oregon. Potential directors would need at least three years of experience in shipping, international trade or imports and exports.

The Port of Portland would transfer ownership of Terminal 6 over to the OCSA, which as a public corporation would have the power to support projects, contract with other agencies and borrow money in order to support container shipping for Oregon businesses.

The OCSA could also renegotiate lease agreements with the terminal's current operator, ICTSI Oregon Inc., and take action against anyone who illegally slows down operations.

"The shipping companies will want guarantees," Mannix said. "We can set up a structure that can lead to this being capable of working."

Port officials in Umatilla and Boardman were mostly non-committal about the bill itself, but agreed something needs to be done to get Portland's container service back on track.

Kim B. Puzey, general manager at the Port of Umatilla, attended Thursday's meeting in Hermiston. He said Portland used to have 12 ocean carriers in 1997, which has since dwindled to one: Westwood Shipping. That's due to a number of factors, Puzey said, but most recently Hanjin Shipping and Hapag-Lloyd left Terminal 6 after slowdowns during contract negotiations between West Coast port operators and the International Longshore and Warehouse Union.

"This is an enormously complex issue that relates to the global economy, the domestic recession and the relationship between dock operators and union interests," Puzey told the *East Oregonian*. "I am appreciative that someone has taken the initiative at the level (Mannix) has."

Puzey said he was "intrigued" by Mannix's presentation, but did suggest it should be port commissioners — rather than county commissioners — who ought to have a larger say in appointing the proposed OCSA board.

Puzey has also been a longtime advocate of short sea shipping, which would allow inland ports to bypass Portland entirely. Mannix said that could be something the OCSA ultimately discusses.

"Every container that doesn't go down the Columbia-Snake River system goes down Oregon and Washington highways," Puzey said. "Our waterways are extraordinary, and they are vastly underutilized."

Gary Neal, general manager at the neighboring Port of Morrow, said their rail yard is currently handling containers arriving from the Port of Lewiston in Idaho. Though Neal did not specifically weigh in on this proposal, he did say he appreciated Mannix trying to identify solutions.

"Our main goal is to see services back in Portland that our shippers can take advantage of," Neal said.

Mannix said his group continues to fine-tune their bill based on the feedback they get from local ports and producers.

"I see an opportunity for us here to do something good for Oregon," he said. "The worst thing that could happen is if we do nothing."

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