



142nd Year, No. 153 WINNER OF THE 2017 ONPA GENERAL EXCELLENCE AWARD One dollar

A flotilla of Canada geese and their goslings paddle across the McKay Reservoir on Monday outside of Pendleton.

Staff photo by E.J. Harris

Legislature OKs business tax break expansion

By PARIS ACHEN
Capital Bureau

SALEM — Gov. Kate Brown on Monday got her wish to expand an existing business tax break that will cost the state \$11.3 million in 2018.

During Monday’s eight-hour special session, the House of Representatives voted 51-to-8 and the

Senate voted 18-to-12 to pass the tax break for certain sole proprietorships via House Bill 4301.

“It was really clear in general, that Republicans wanted more — more tax breaks for small businesses,” Brown said. “The Democrats wanted different or more revenue-neutral proposals. We weren’t able to reach a compromise in those conversations so we

went with my very simple straightforward proposal that would ensure tax fairness for our businesses.”

Brown, who is seeking reelection this year, called the special session after signing another tax bill — Senate Bill 1528 — in April that was unpopular with some members of the business community. That bill eliminated a 20-percent business tax deduction that was included in

federal tax reform earlier this year and would have resulted in the loss of \$200 million to \$300 million in state revenue. Oregon’s tax code automatically conforms with federal code unless lawmakers specifically pass legislation to change it.

The governor said while she was considering Senate Bill 1528, she realized that state lawmakers needed to expand the state’s lower

tax rate for “pass-through” businesses to sole proprietors.

Expanding the tax break will cost about \$11.3 million in 2018, \$11.8 million in 2019 and \$12.5 million in 2020. The cost continues to increase each subsequent year, said Chris Allanach, acting legislative revenue officer.

See TAX BREAK/7A

PENDLETON Hamley’s goes to auction

By PHIL WRIGHT
East Oregonian

Hamley’s is hitting the auction block. And Hamley’s co-owner Parley Pearce said he plans to save the icon of downtown Pendleton and keep it in local ownership.

“It’s one of those deals where it’s going to go to the highest bidder. I’m pretty well prepared, I feel like, to do that,” Pearce said. “It’s kind of my baby, I guess you can say.”

The limited-liability company HIPO of Payette, Idaho, took on \$1.2 million of Hamley’s debt

See HAMLEY’S/8A

Former BMCC volleyball player competes for the Miss USA title



Contributed photo

Kalie Wright, right, reacts after winning the Miss Minnesota pageant in November.

Kalie Wright entered first pageant to earn college tuition

By KATHY ANEY
East Oregonian

Kalie Wright and her miniature fainting goat don’t share the same temperament.

Wright, a former Blue Mountain Community College volleyball player who competed Monday night in the Miss USA pageant, cruises ahead confidently in life. Her goat, Mr. McGoatface, falls over when frightened.

“They actually faint when they get scared,” Wright said of miniature fainting goats. “Their legs lock up and they roll over.”

Not so with Wright.

She spoke by phone from Shreveport, Louisiana, where she was gearing up for Monday night’s intense Miss USA competition.

See WRIGHT/8A



EO file photo

BMCC’s Kalie Wright returns a volley in an October 2011 game in which the Timberwolves played against Yakima Valley in Pendleton.

BOARDMAN

Lost Valley problems could spur new laws

By MATEUSZ PERKOWSKI
Capital Bureau

SALEM — The regulatory problems facing a controversial Oregon dairy have raised questions among lawmakers about avoiding “too big to fail” livestock operations in the future.

Negative publicity has continued to mount for Lost Valley Farm of Boardman, which in 2018 has faced a \$10,600 fine, a lawsuit filed by state farm regulators and financial troubles resulting in bankruptcy proceedings.

The 7,300-acre farm is

home to nearly 14,000 head of cattle.

The Senate Interim Committee on Environment and Natural Resources summoned the state’s top agriculture and water regulators for a legislative hearing on May 21 to begin analyzing what went wrong.

The hearing was cut short after an hour because the full Senate was expected to convene, but Sen. Michael Dembrow, D-Portland, said the matter will likely be revisited during legislative committee days in September.

See HEARING/8A

HERMISTON

New course hosts first Professional Disc Golf Association tournament

By JADE MCDOWELL
East Oregonian

The grass was a little taller than most competitors were used to at the first Professional Disc Golf Association tournament at Hermiston Desert Disc Golf.

The course — which started with nine holes last year and recently acquired a back nine — presented a unique high-desert terrain for 69 amateur and professional-level golfers at the Good Shepherd Community Health Foundation Open, sponsored by Dynamic Discs and hosted by the Umatilla Disc Golf Club.

“We had 72 spots, so

69 is a pretty good turnout, especially for being the first one we’re having,” organizer Ginger Wilkinson said.

At 7,492 feet, the new course is one of the biggest in the region.

“It’s long,” said Chris Muller, who came down from Richland to compete. “It’s a big boy course.”

Muller, who was preparing to putt into one of the metal baskets that make up the “holes” on the course, said the trick to a good putt was to get a lot of spin on the disc and to have a “good pre-putting routine.”

See COURSE/8A

