

# For Oregon hemp farmers, the future is green

By JOHN NOTARIANNI,  
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MATSUMOTO

Oregon Public Broadcasting



Jay Noller, director and lead researcher for Oregon State University's newly formed Global Hemp Innovation Center, left, inspects young hemp plants with Lloyd Nackley, a plant ecologist with the Oregon State University Extension Service, at one of the university's hemp research stations in Aurora.

AP Photo/Gillian Flaccus

SALEM — Last year's federal Farm Bill relaxed restrictions on growing hemp, a non-psychoactive variety of the cannabis plant. That's big news for Oregon farmers, but there's still a lot to learn: both about the crop itself, and about how the changing regulations affect growers.

Earlier this month, Oregon State University launched the Global Hemp Innovation Center, the nation's largest hemp research effort, to answer some of these questions.

"It's a new crop that's been highly, highly monetized in the last few years," said Jerry Norton, the co-founder of the Oregon Industrial Hemp Farmers Association and a Salem-based hemp seed grower and processor. "We have 1,500 registered growers planting 50,000 acres this year."

Norton said that provisions in the federal Farm Bill require farmers to use hemp seeds that are certified as being low in THC, containing less than 0.3 percent of the psychoactive

chemical that gets cannabis users high. That's difficult because there isn't any national certification process in place yet.

"When we first started, years ago, OSU didn't even want to know where we got our seed," he said. "When they came out last year, we had to make special arrangements because the president had not signed the bill yet; it was not actually federally legal."

Without access to certi-

fied seeds, farmers are in a legal gray zone and are at risk of accidentally growing hemp with THC levels above the legal limit.

"If that happens, the crop will have to be re-embargoed and/or go through

indemnification through the Oregon Department of Agriculture," Norton said. "That's a tedious process."

The most visible new hemp products on the market are CBD-infused: foods, drinks, tinctures,

even lotions. But Norton says there are thousands of ways to use hemp: bioplastics, grain for animal feed, energy and even home-building.

"There's a product that's called hempcrete," Norton said. "You just mix the product with water and lime. It's the most sustainable product out there for building. Imagine how long it takes to grow a tree when you can grow a hemp plant to 6 or 7 feet in 90 days."

With all the hemp being grown this year, farmers are facing another bottleneck once it becomes time to convert the plant into a useable product.

"Once you dry it, you have to process it," Norton said. "There will be a scramble and likely a shortage of processing — turning the product into a distillate or an isolate that goes into the secondary market for food or beverages or everything else out there."

Still, he said, he's working with OSU and his fellow farmers to figure out all these challenges together.

"We're basically trying to build a co-op so everybody can get the best business practices available and network and learn together," he said.

## Program highlights new landlord tenant laws

East Oregonian

TIGARD — The Oregon State Bar will host a free public seminar addressing significant changes to landlord-tenant laws in Oregon.

"Legal Q&A: An Update to Landlord/Tenant Law in Oregon" is Wednesday, July 10 from 11:30 a.m. to 1 p.m. The presentation is designed for non-lawyers, both landlords and tenants. It will explain key legal changes that affect those who live in or own Oregon

rental properties.

The program is available via live webcast or in-person at the Oregon State Bar center, 16037 S.W. Upper Boones Ferry Road, Tigard. While the event is free, pre-registration is required.

To register for the live webcast, visit [www.tinyurl.com/LandLordTenantWebcast](http://www.tinyurl.com/LandLordTenantWebcast) or for the in-person event, go to [www.tinyurl.com/LandlordTenantUpdate](http://www.tinyurl.com/LandlordTenantUpdate). For questions, call 503-431-6413 or 1-800-452-8260, ext. 413.

## BMCC Boardman hosts BOLI seminar

East Oregonian

BOARDMAN — An upcoming Bureau of Labor and Industry (BOLI) seminar will provide information regarding leave laws, including Oregon Family Leave Act and the federal Family and Medical Leave Act (FMLA).

The course is targeted for human resources personnel, business owners, managers, supervisors and others responsible for administering a compa-

ny's leave program. "Leave Laws in Oregon" is Tuesday, July 16 and Wednesday, July 17 from 9 a.m. to 4 p.m. at Blue Mountain Community College, 251 Olson Road, Boardman. The cost is \$299 per person.

To register or for more information, visit [www.oregon.gov/boli](http://www.oregon.gov/boli) (click on "Employer Seminars"). For questions, contact Selena Schryvers at [selena.schryvers@state.or.us](mailto:selena.schryvers@state.or.us) or 971-673-0825.

## What Washington can't tax, Oregon might

By KATE DAVIDSON  
Oregon Public Broadcasting

BATTLE GROUND, Wash. — On July 1, Washington stopped letting Oregon shoppers skip paying sales tax at the register, with a few exceptions. Some businesses in Southwest Washington fear the change will drive away Oregon customers who won't want to cross the river to shop when there is no sales tax at home.

Now it appears some of those businesses might face an additional hurdle in the future. It's called House Bill 3427 — Oregon's new business tax.

Take the case of Dan's Tractors outside Battle Ground, Washington.

Owner Skip Ogden says about 20% of his business came from Oregonians last year. That's more than \$1 million in gross revenue.

At first, Ogden worried about losing those customers to the July 1 sales tax change.

"Knowing these customers like I do, Oregonians do not like to pay sales tax for any reason whatsoever," he said.

But right before the point-of-sale tax exemption ended, Ogden read

a special notice from the Washington Department of Revenue. It basically said: out-of-state deliveries don't count. If you're delivering in Oregon, you don't have to charge retail sales tax.

Turns out, Ogden delivers most of the tractors Oregonians buy from him. "Oh, it's a big relief," Ogden said on the phone. "Problem solved."

Enter Oregon HB 3427.

Remember Oregon's big new business tax? The one meant to inject \$1 billion a year more into K-12 education? The one that prompted Republican lawmakers' first walk out?

Gov. Kate Brown, D-Oregon, signed the tax into law in May, though it could still face a ballot challenge.

Even though it's often described as a tax on large Oregon businesses, if the new tax goes into effect it will also impact some out-of-state companies that do business in Oregon.

"It's a significant revenue policy," said Oregon legislative revenue officer Chris Allanach.

Under the law, if out-of-state companies have \$750,000 worth of commercial activity in Oregon they will have to register with the state.

They'll be subject to the tax itself if they have at least \$1 million of commercial activity sourced to Oregon.

What does "sourced to Oregon" mean?

When it comes to the sale of tangible personal property, like tractors, the law states commercial activity is sourced to Oregon, "if and to the extent the property is delivered to a purchaser of this state."

"Somebody goes up to Vancouver and buys something and then they sell it into Oregon. Certainly sounds like an Oregon sale," Allanach said.

Still, Allanach said, this could be a gray area. Details of the tax's implementation will be ironed out in the administrative rules process.

As for Ogden and his million dollars-plus in annual sales to Oregonians, it's far from clear he'd have to pay the commercial activities tax. For any company, tax liability depends on financial details — like how much gets spent on labor or the cost to the company of the goods it sells.

What is clear is that under HB 3427 more out-of-state businesses will have to register in Oregon. And what Washington can't tax, Oregon might.

## Local bankers graduate from operations school

East Oregonian

WILSONVILLE — The Bank of Eastern Oregon is proud to announce that five Bank of Eastern Oregon employees and one from Bank of Eastern Washington (which is a branch of BEO) recently graduated from the 2019 Northwest Bank Operations School.

Among a class of 30, the local students included Michelle Gerber, BEO Boardman, Sandi Hainline and Christine McCrumb, BEO Heppner, Vanessa Williamson, BEO Arlington,

Debi Munck, BEO Athena and Kallie Warren, BEW Pomeroy, Washington.

For more than 20 years, the school is presented by the Oregon Bankers Association. The recent class, which was held from March through June, focused on bank regulations, new accounts, sales culture, employee supervision, and safety and security, among other topics.

The school's graduation ceremony was held in Wilsonville and included a panel of bank CEOs who discussed the future of the industry,

career opportunities and the importance of community engagement. Students were joined by their mentors, supervisors and bank executives for the ceremony.

Linda Navarro, OBA president and CEO, said effective operations is both essential to a bank and often what differentiates the customer experience. The industry's future leaders, she

said, are bright, engaged and motivated.

"These bankers are the emerging leaders that will take us to the next level," Navarro said.

The next Northwest Bank Operations School will be held March-June 2021. For more information, contact Jennifer Schubert at 503-576-4126 or [jshubert@oregonbankers.com](mailto:jshubert@oregonbankers.com).

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