

▼ DOW 32,420.06 -3.09	▼ NASDAQ 12,961.89 -265.81	▼ S&P 500 3,889.14 -21.38	▼ 30-YR T-BOND 2.31% -0.4	▲ CRUDE OIL \$61.18 +3.42	▲ GOLD \$1,732.90 +8.20	■ SILVER \$25.20 ...	▼ EURO \$1.1820 -0.0032
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BRIEFING

USDA walks back ear tag mandate

The U.S. Department of Agriculture announced on Wednesday it is pulling back on mandating the use of radio frequency identification ear tags on cattle and bison in interstate commerce.

It will instead use the rulemaking process for any future action related to the proposal.

The agency's decision is a win for R-CALF USA, which filed suit against USDA over the agency's first attempt to mandate the use of RFID ear tags with an April 2019 notice.

Represented by the New Civil Liberties Alliance, R-CALF alleged the mandate violates current traceability regulations that allow other forms of identification.

"Today's announcement is good news for cattle producers, as it means the impending threat of a costly RFID mandate is now removed," Bill Bullard, R-CALF's CEO, said in a statement.

Until the agency takes further action, cattle and bison producers can continue to use metal or plastic ear tags, brands, tattoos, group/lot identification and backtags authorized under current law.

Manufactured goods see slump

Orders to U.S. factories for big-ticket manufactured goods slumped 1.1% in February with demand in a key sector that tracks business investment also dropping.

Orders had been rising for nine consecutive months, including a sizable 3.5% jump in January, according to the Commerce Department.

The size of the drop surprised economists, though it is likely that there was significant disruption from severe winter storms that hit much of the country last month, on top of ongoing supply-chain problems.

The category that covers business investment dropped 0.8% in February.

The transportation sector fell 1.6% with demand for commercial aircraft, a sector plagued by the huge drop in air travel during the pandemic, shooting up 103%. Contributing was beleaguered manufacturer Boeing, which for the first time since December 2019 booked positive net orders. But orders for autos and auto parts slumped 8.7%.

NTSB seeks tighter safety oversight

Federal safety officials are making another push for stricter oversight of air tour operators and hot-air balloon rides after several deadly crashes in recent years.

The National Transportation Safety Board on Tuesday asked the Federal Aviation Administration to raise safety requirements for the passenger-carrying operations, which fall under less restrictive regulations than airlines do for things such as pilot training and maintenance.

Some airplane and helicopter tours operate under rules for "general aviation," a category that mostly covers private planes not used to carry paying passengers. Safety board members said some of the operators exploit loopholes in FAA regulations to avoid stricter oversight.

— Bulletin wire reports

Oregon bill would help movie theaters

BY KEVIN HARDEN

Oregon Capital Bureau

Movie theater owners across the state who have spent a tense year watching their revenue drop to nearly zero hope new legislation offers financial relief.

A bill introduced March 16 by state Rep. Rob Nosse, a Portland Democrat, would

fund state grants for movie theaters hard-hit by the COVID-19 pandemic shutdown. House Bill 3376 provides the Oregon Business Development Department \$8.7 million to create a grant program for indoor movie theaters. Grants could be \$50,000 per movie theater, plus \$10,000 for each screen, if theaters have

more than two screens.

The House Committee on Economic Recovery and Prosperity was scheduled to take up the bill during an online public hearing and work session Thursday morning. The hearing begins at 8 a.m. It can be streamed at olis.oregonlegislature.gov/liz/2021R1/Committees/HERP/Overview.

Movie theaters in counties with lower COVID-19 risks can reopen with 50% capacity. Most also can sell concessions under updated state guidelines.

Members of the Pacific Northwest Theatre Owners Association approached Nosse in the past few months about providing some state financial help. A handful of other states

and cities have provided similar grant programs to theater owners.

Nosse's bill could give grants to all theaters in the state, including large chains like Cinemark and Regal. Nosse said the bill could be amended to "just focus on theaters that are small and primarily locally owned."

See **Theaters** / A12



Caleb Jones/AP file

A man sits on a nearly empty Waikiki Beach in Honolulu in October. Tourists are traveling to Hawaii in larger numbers than officials anticipated, and many are wandering around Waikiki without masks, despite a statewide mandate to wear them in public.

Hawaii's dilemma:

Tourists bring much-needed money — along with their own rules for masks

The Associated Press

HONOLULU — Tourists are traveling to Hawaii in larger numbers than officials anticipated, and many are wandering around Waikiki without masks, despite a statewide mandate to wear them in public.

Hawaii's "Safe Travels" program reported that about 28,000 people flew into and throughout the islands on Saturday, the highest number of travelers in a single day since the pandemic began, the Honolulu Star-Advertiser reported Monday.

Before the pandemic, Hawaii had about 30,000 arrivals daily. When quarantine rules were put in place early in the pandemic, arrivals plummeted and the state's tourism-dependent economy tanked.

In October, state officials launched a pre-travel testing program that allowed visitors to sidestep quarantine rules. But travel remained sluggish until the second week in March, when spring break tourists started arriving in the islands.

Travel company Pleasant Holidays president and CEO Jack Richards told the Hono-

lulu Star-Advertiser that the agency's bookings increased 30% over the last two weeks.

"We haven't seen travel demand for Hawaii this strong for over a year," Richards said. "I thought we would have a U-shaped recovery; it's V-shaped. January and February were terrible, but we've gone from zero to 150 mph in two weeks."

Hawaii News Now reported that officials are receiving complaints about visitors not wearing masks. With a few exceptions, people in Hawaii are still required to wear masks while in public.

"I'm a believer that if you're outdoors, you can remove it," said Glenn Day, a visitor from Indiana.

Visitors said rules in their home states are different than those in place in Hawaii.

"We carry our masks around, and if we walk into an establishment we'll wear one, and if people look like they're uncomfortable with us around, we'll put one on. But otherwise, like I said where we come from, people are really not required to wear them," Wisconsin visitor Larry Dopke said.

"I'm not wearing one right now. I'm outdoors," said Todd Hasley who was visiting from Idaho. "Boise city has an indoor mask mandate. The rest of the state has a mask recommendation."

Some lawmakers expressed concern about a possible backlash from residents.

"I think we're all going to have to be prepared for a potential surge in tourism," said Hawaii state Rep. Scott Saiki, a Democrat. "I think we have to be prepared because the public may have a response to a sudden surge."

Such a reaction could hinder economic recovery.

See **Hawaii** / A12

Intel to build new factories, in wager on manufacturing

BY MIKE ROGOWAY

The Oregonian

When new Intel CEO Pat Gelsinger joined the company during the winter, the chipmaker was under growing pressure to give up on its beleaguered manufacturing arm and outsource advanced production to contract manufacturers overseas.

A month into the job, though, Gelsinger said Tuesday he is taking Intel in the opposite direction. The chipmaker will spend \$20 billion to build two new factories in Arizona and will announce more later this year. Instead of outsourcing advanced production, Gelsinger said Intel wants to become a leading contract manufacturer itself.

Even as he outlined a bold — and expensive — new strategy, Gelsinger warned that Intel's revenue will be down sharply this year. He forecast revenue of \$72 billion, down 7.5% from 2020, due to shortages of key components.

Investors looked past that disappointing near-term outlook in favor of Gelsinger's long-term ambitions. Shares jumped more than 7%, topping \$68, while he spoke.

"Intel is back," Gelsinger said. "The old Intel is now the new Intel as we look toward the future." Gelsinger said that Intel had been too timid in exploiting a new manufacturing technology, extreme ultraviolet lithography for its 7nm chips. Intel has now embraced EUV, he said, and is back on track with those new production tools.

See **Intel** / A12

Slower mail and fewer office hours are part of Postal Service plans

BY ANTHONY IZAGUIRRE

Associated Press

Postmaster General Louis DeJoy on Tuesday announced plans to slow mail delivery standards and cut hours at some post offices as part of a 10-year strategy to stabilize the struggling agency.

Details of the long-awaited plan come at a time of intense scrutiny on the U.S. Postal Service over persistent delivery delays under DeJoy, a major GOP donor who took over the agency last summer. The plan also includes a proposal to consolidate underused post offices, hinted at a potential postage rate increase and detailed investments in new delivery vehicles, among other things.

Facing an expected \$160 billion in losses over the next decade, DeJoy and postal executives stressed the need to cut costs and modernize the agency's operations as its workload increasingly shifts from handling letters to hauling more and more packages.

"This is about the long-term viability of the organization under the two missions that we have that are legislated, that is deliver to every house six days a week and be self-sustaining," DeJoy said. He announced the plans at a webinar with other postal service officials.

DeJoy said the biggest change would be a relaxing of the current first-class letter delivery standard of one-to-three-days to a one-to-five-day benchmark. Postal leadership said the longer timeframe would apply only to mail going to the farthest reaches of its network and that 70% of first-class mail will still be delivered within a three-day standard.

Democrats immediately criticized the plan. House Speaker Nancy Pelosi said it would undermine the mission of the agency. Sen. Gary Peters, chairman of the Homeland Security and Governmental Affairs Committee, warned it could harm service for people who get prescription drugs and financial documents through the mail.

See **Mail** / A12