# **Brown declines traditional summer debate with Pierce**

#### **By Paris Achen** Capital Bureau

SALEM — Gov. Kate Brown has declined to participate a July 22 debate that has been longstanding tradition for candidates in the race for Oregon governor.

The debate, organized and moderated by the Oregon Newspaper Publishers Association, has typically ushered in general election campaign season for the past 30 years.

"It is disappointing because she was not elected in by the voters, so it seems unfair for voters to miss out on this opportunity," said Laurie Hieb, ONPA executive director.

Brown gave no specific reason for skipping the 90-minute debate, which is typically streamed live on newspaper websites and reported in news stories.

"The governor is looking forward to debates and forums as soon as the fall arrives, but

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that are so low - the low-

est in the country — that our

schools and critical services

are badly underfunded," their

1,051 businesses will be af-

fected, however, by the "pyr-

amid" effect of the tax. A

restaurant may not have more

than \$25 million in sales, she

said, but still be hit by higher

prices on utilities, ingredients

and equipment they purchase

from companies that do fall

Office's report estimates the

law will result in 38,200 jobs

lost in the private sector but

17,700 added in the public

sector, for a net decrease of

will be taxed is not public re-

cord, but Pacific Power has

already stated publicly that it

would see its tax bill raised

by \$40 million per year and

would have to raise rates 3-4

percent to cover the cost.

A list of businesses that

20,500 jobs statewide.

The Legislative Revenue

Hart said far more than

**IP28** 

website states.

under IP28.

EO Media Group

Gov. Kate Brown has declined to participate a July 22 debate that has been longstanding tradition for candidates in the race for Oregon governor.

to the debate the same day

ONPA extended the invita-

tion, Hieb said.

right now she is focused on her official duties," said Liz Accola Meunier, Brown's campaign spokeswoman.

nominee Bud Pierce agreed

Republican gubernatorial

The gross receipts tax proposed in IP28 is not a "sales measure.' tax" in the traditional sense of the word. Consumers will not see, for example, a 5-cent tax added directly to their \$2 gallon of milk. But if the farm

where the milk was produced, the plant where the milk was packaged and the store where the milk was sold are class C corporations with at least \$25 million gross sales, they will each have to hand over 2.5 percent of their sales to the government — in effect taxing the same milk multiple times.

Hart pointed out that the tax is on sales, not profit, which means that a business must pay the same amount whether it is making huge profits or losing money.

She said that IP28 is being marketed as an increase in money for schools, seniors and health care, but once the money is in the general fund it can be used for anything.

"There's no plan, no accountability for how that money will be spent," she said. "In the bigger picture, I couldn't agree more that schools need

more money, but tax policy does not belong on a ballot

The coalitions being formed on both sides of IP28 show the ballot measure is shaping up to be a fight between public employee unions and businesses.

A report from Oregon's Office of Economic Analysis, obtained in draft form and published online by The Oregonian, estimates that the average Oregon-based corporation affected currently pays \$200,000 in taxes but will see their tax raised to \$2.2 million by IP28, while the average qualifying business based outside of Oregon pays \$300,000 under current law and would pay \$3 million under IP28.

A Class C Corporation is taxed on its net income and then shareholders are taxed separately on distributions. An alternative is to become an S corporation, for which profits are taxed just once at the shareholder level. C corporations can convert to S corporations, but only if they have fewer than 100 shareholders.

whether the governor could get a copy of the questions in advance, which ONPA de-

But an email chain with Hieb provided by Brown's campaign shows that Michael Kolenc, Brown's campaign manager, actually asked whether the questions would be reviewed by a committee.

"Do you happen to have a list of the editor and publisher members? Do their questions need to be reviewed by a committee?" Kolenc wrote.

The campaign also asked who would be asking the questions, and Hieb said she didn't yet know.

The campaign then declined the invitation.

We were told she needs to focus on her 'official duties,' Hieb said. "I emailed her campaign manager back and asked, do you have a minute to discuss on the phone, and he didn't reply.

Pierce, a Salem oncologist, said the governor's excuse is 'very weak."

"I am still practicing medicine as I run," Pierce said. "I am focused on taking care of patients with cancer and blood diseases and running for office,

so we are all busy.'

"It's obvious she doesn't want to be there to answer questions," Pierce said. "We know she is the incumbent and feels she is the strong favorite. It might be a good political move as the incumbent, but it is very disrespectful to the Democratic process. If you are the leader of the state, Oregonians want to know what you are thinking and to take hard questions."

Republican Chris Dudley, a former NBA player who ran for governor in 2010, may be the only other gubernatorial candidate from a major party who has opted out of the event, according to the ONPA.

Instead of a debate, the association has given Pierce 30 minutes to present and answer questions during the association's convention July 22 at the Oregon Garden. The convention also includes a presentation on a controversial corporate sales tax measure on the November general election ballot.

## State issues final rules implementing new minimum wage law

### **By Paris Achen** Capital Bureau

Oregon's Bureau of Labor and Industries finalized new minimum wage rules Wednesday, requiring employers to pay a regional rate based on where the employee works more than 50 percent of the time.

The rules are a compromise between a proposal favored by labor groups and requests by business groups to base the rate on where the employer is located.

"I appreciate that both industry associations and minimum wage advocates stepped up to advise our agency's rulemaking process," said Labor Commissioner Brad Avakian in a statement. "As Oregon raises its minimum wage for more than a hundred thousand workers next month, we hope that the rules will provide fairness to workers and employers alike.'

The Legislature in February boosted minimum wage rates and set a schedule for increases with three different regional rates, based in part on the area's cost of living and income levels. Proposed rules that defined location of itinerant employees required employers to pay different rates if an employee worked in a different region for four hours or more.

Business groups opposed the rules because they said it required onerous recordkeeping.

Under the final rules, no additional recordkeeping is required for most employers, said Charlie Burr, labor bureau spokesman. When an employee works in multiple regions the majority of the time, the employer may choose whether to pay the employee the highest rate or to track the employee's hours by location and pay them different rates according to where they worked.

Delivery workers who report to and from the same location will be paid the rate of the region where they report.

Betsy Earls, vice president and counsel of Associated Oregon Industries, said the final rules are an improvement from what was originally proposed, but the guidelines still have shortcomings.

"Those are huge strides, so

much better," Earls said. Earls argued that lawmakers intended employer location

to mean the location where the employee reports to work, rather than different pay based on where employees go during the day

She said exempting delivery workers and not other workers that work in multiple locations from the rules doesn't make sense

The labor bureau will hold a series of seminars to help employers comply with the new rules.

The first-of-its-kind law takes effect July 1, bumping up the state's minimum wage from \$9.25 to \$9.75 in urban counties, and \$9.50 in rural counties.

In 2017, wage increases will further diverge according to region. In rural areas such as Grant County, the wage gradually climbs to \$12.50 in 2022.



ODOT asks for moratorium on oil trains

By Paris Achen

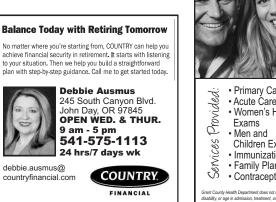
June 3, which sparked a fire, own investigation into the forced the evacuation of 100 cause. people and spilled oil into the Inspections and tests by ground and the city's sewer the state and Union Pacific in the days leading up to the desystem. Union Pacific officials railment failed to reveal the have concluded that the defects. metal fastener system that connects the railroad tie to the rail failed, causing the railway to break apart and derailing 16 oil tanker cars. The federal railroad administration is conducting its

Hieb initially said that beclined. fore declining the invitation, Brown's campaign asked

Capital Bureau

SALEM — The Oregon Department of Transportation has asked the federal government to put a moratorium on oil trains in the Columbia Gorge and certain other parts of the state over concerns about inadequate inspections.

The request follows the oil train derailment in Mosier



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The Eagle is located in John Day, Oregon, just three hours from Bend and Pendleton. The community is at the center of an evolving natural resource restoration economy, which gains statewide and even national attention. The location offers year-round recreational opportunities, including backpacking, camping, fishing, hunting, snowmobiling and horseback riding. Serving the community for 146 years, the Eagle is the oldest weekly newspaper in Eastern Oregon and is part of EO Media Group, an award-winning and innovative news organization with an active family of owners. This position offers excellent advancement opportunities in a company that prefers to hire from within. EO Media Group owns 11 newspapers and 17 websites that provide accurate, fair and timely reporting about the people and issues impacting the communities we serve in the Pacific Northwest, reflecting the responsibility and spirit of a free press.

We seek a journalist who is passionate about local news and excited about the opportunity to publish in print, online and with social media. Candidates must be able to develop story ideas, take photographs, develop sources, prepare website and social media updates and work in a cooperative team environment.

Journalistic integrity is a must. Journalism education or experience is required for this full-time position offering health and retirement benefits. Send resume, letter of interest and several clips of (or links to) your work to EO Media Group, P.O. Box 2048, Salem, OR 97308-2048;



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- Tax records: Destroy after six years.
- Old investment statements.
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- Utility bills: Unless needed for tax purposes. Old credit card statements, unless
  - something was purchased with a warranty.
  - Mailed credit card solicitations.