

ISSUES

Continued from Page A1

The economy

The first third of the debate focused around the economy.

Brown, in response to a question about the effects of the increased minimum wage on rural business, defended the state's mandated minimum wage increases, which will vary by area, saying she would not apologize for advocating for "working families."

Pierce, asked about recreational marijuana, said the state's law legalizing recreational marijuana was "well-crafted," and that he supported local control over regulations. He also said he wished to bring the industry into mainstream banking, saying that a cash-only system was open to corruption.

Brown, in reiterating her support for Measure 97, said that state government needed sufficient revenue for basic services and that large corporations should pay a "fair share."

Brown, in an interview with Oregon Public Broadcasting last month, acknowledged consumers in Oregon would bear some of the burden should the measure pass. But in Saturday's debate she said the measure was the only viable option to remedy the state's projected budget \$1.35 billion shortfall. Measure 97 is projected to pull in an additional \$6 billion in revenue per budget biennium.

In a rebuttal, Pierce disagreed, citing figures from the Legislative Revenue Office



EO Media Group

Saturday Gov. Kate Brown, in her first debate with challenger Bud Pierce, defended her support for Measure 97, a corporate gross receipts tax that will raise \$3 billion a year.

estimating that the average family would pay \$600 more annually in costs.

Brown said she sought to improve education and infrastructure in rural areas, and touted the state's recent investment in "innovative technologies," citing cross-laminated timber and unmanned aerial vehicles.

In response to a question about shrinking rural economies and populations, Pierce said he wanted to renew natural resource industries in rural areas and support entrepreneurs through incentives such as tax credits or enterprise zones.

Land use

In the second part of the debate, which centered on land use, Brown was asked to clarify her stance on the proposed designation of the Owyhee Canyonlands in Eastern Oregon as a national

monument.

The incumbent said she supported collaboration in coming to a decision.

Asked to expand on her answer, Brown maintained a "process" needed to be in place for taking public input. She would not say explicitly whether she was for or against the designation.

"I think there needs to be a collaborative approach and parties need to come to the table," Brown said.

Pierce rebutted that the community around the proposed monument opposes the designation.

"The people who lived on the lands overwhelmingly said no," Pierce said, and said he opposed what he characterized as an additional layer of bureaucracy.

Pierce and Brown also disagreed more broadly about the federal government's management of public lands

in Oregon. Pierce said that he supported a gradual transfer of federal public lands to state and local agencies, a move Brown called unrealistic.

"I think there's a third way," Brown said. She said the state was already cooperating with the federal government, and cited the state's "good neighbor agreement" with the U.S. Forest Service regarding forest management.

She also attributed what she said was a 15 percent increase in timber harvest off federal public lands in Eastern Oregon in 2015 to such collaborations.

Brown, in a response to a question about easing tensions between various levels of government and the communities they serve, said that she fought on state and federal levels to reimburse Harney County and state law enforcement for costs incurred by the response to the occupation of the Malheur National Wildlife Refuge earlier this year.

Urban-rural divide

While Pierce said that employment and basic healthcare can improve individual health, Brown said Pierce would "kick people off the Oregon Health Plan" and that she sought to remove barriers to healthcare.

"Every time we have a budget cut in this state, we cut people or we cut services," Brown said.

Pierce objected, noting he was in favor of the recent Medicaid expansion in the state, but that rural communities suffered from a lack of affordable health insurance.

"All the great words in the world from the governor will not provide affordable insurance," Pierce said.

He said that both health and educational outcomes could be bolstered by improved rural economies.

"If we have prosperity in rural areas, prosperous families can take care of their children," Pierce said, arguing that rural areas have been neglected by Brown's administration.

He also emphasized his background as a private citizen in contrast to Brown's 25 years in state government and said her record was poor in those years.

But Brown said the state needed to continue investing in education to improve outcomes, citing the state's comparatively short school years and large class sizes. She pointed to her appointment of an education innovation officer, whom she said would provide school districts sufficient resources to allow graduates to have a "plan."

In response to a question about how far to go when making exceptions for rural communities on state policies, Brown said there were a "number of circumstances" where exceptions were created for different communities based on need — including the tiering of the minimum wage increase and local discretion on recreational marijuana.

She criticized Republicans' response to the state's low-carbon fuel standard.

"We put on the table an exemption for rural Oregon, but Republican legislators chose to align with the petroleum

industry" and did not heed the wishes of constituents, Brown said.

Asked about how she would balance healthy natural environments in rural communities while allowing rural communities to capitalize on their natural resources, Brown said that climate change was the most significant issue, and that it was "imperative" that the Oregon Department of Forestry and other state agencies have adequate resources to collect data.

Pierce called Brown's response a "non-answer" and agreed that while climate change was an issue, he supported a "triple aim" of lower carbon emissions, reliable supply of energy and lower costs.

He said he wanted to help industries that rely on water thrive, but also encourage more "judicious use of water."

Brown, in a counter-response, also called Pierce's response a non-answer and said that she wanted to preserve the state for future generations.

"I don't think we want to look like Idaho," Brown said. "I want us to keep Oregon green."

Saturday's debate was moderated by the Oregon chapter of the Society of Professional Journalists, with questions offered by representatives of the East Oregonian, KTVZ-TV, Jefferson Public Radio and the Bend Bulletin.

Brown and Pierce are expected to debate again four more times before the Nov. 8 election: On Sept. 30, they will square off before the City Club of Portland.

Legislators weigh PERS options, but reach no consensus

By Claire Withycombe
Capital Bureau

A bipartisan work group aimed at reforming the state's Public Employee Retirement System started taking input on the issue Wednesday afternoon, but reached no consensus.

The system faces \$21.8 billion in unfunded liability — money it owes to PERS beneficiaries but cannot pay.

Though several commenters, including the mayor of Hillsboro and a Bend-La Pine School District Board member, seemed to agree change is needed to both address growing costs to local governments and meet legal requirements, it was not clear Wednesday what direction the intended reforms may take.

While Sen. Betsy Johnson, D-Scappoose, described PERS as a "supercharged and emotional" topic, it's also complex — Steve Rodeman, the executive director of PERS, spent the first 45 minutes of the meeting providing

a high-level explanation of the system.

In 2013, the Legislature passed a set of reforms aimed at mitigating growing costs, but those reforms were largely struck down by the Oregon Supreme Court last year. As a result of the decision and low investment returns, public employers will have to contribute \$2.9 billion to the system in the next budget cycle, a hike of \$885 million.

The Legislature is allowed to make changes to current public employees' benefits, but benefits that have already accrued cannot be altered, according to the ruling in that case, *Moro v. Oregon*.

With this parameter in mind, Johnson, and Sen. Tim Knopp, R-Bend, are leading the charge in an attempt to address the unfunded liability through a work group.

Legislative counsel has vetted 10 possibilities, and late last month released an analysis finding seven of them likely constitutional.

Johnson said the Aug. 31

findings by legislative counsel were not the only options available to legislators.

Senior Deputy Legislative Counsel Marisa James said that her office's Aug. 31 analysis of those possibilities was largely in agreement with a legal analysis presented this week by a Portland law firm, Bennett, Hartman, Morris & Kaplan, LLP, on behalf of five public employee unions.

In a letter submitted to Johnson and Knopp, representatives of those unions said they were "deeply skeptical" that the reform effort "is about finding 'solutions' or taking a broader look at all the budgetary challenges the state faces."

Some examples of those possibilities include instituting \$100,000 cap on final annual salary used to calculate benefits, using a market rate for annuities, and using calculate the benefit based on the average of the last five years salary instead of the last three.

Another option would stop the practice of allow-

ing unused vacation and sick time payments to be included when calculating the final salary.

In the Aug. 31 letter, legislative counsel acknowledged that some of these possibilities, though likely constitutional, could prove politically controversial and risk being challenged in court.

The three options that didn't make the cut set by legislative counsel included changing the retirement age, reducing a factor by which years of service and final average salary are multiplied in the formula used to calculate pension benefit, or discontinuing the pension program altogether.

Cheri Helt, a member of the board of Bend-La Pine Schools, in comments to Knopp and Johnson at the work group meeting Wednesday, said that her school district faces significant personnel cuts as a result of increased PERS costs.

Tim Nesbitt, a former adviser to former gover-

nors John Kitzhaber and Ted Kulongoski, in comments Wednesday at the request of the Oregon Business Council, said that the state must be mindful of moderating cost increases as a percentage of

local government and district payroll.

He said that continued increases could divert money from the local services that those districts and governments provide.

Balance Today with Retiring Tomorrow

No matter where you're starting from, COUNTRY can help you achieve financial security in retirement. It starts with listening to your situation. Then we help you build a straightforward plan with step-by-step guidance. Call me to get started today.

Debbie Ausmus
245 South Canyon Blvd.
John Day, OR 97845
OPEN WED. & THUR.
9 am - 5 pm
541-575-1113
24 hrs/7 days wk

debbie.ausmus@countryfinancial.com

COUNTRY FINANCIAL

Michael Rushton, DPM
Podiatric Physician & Surgeon

po.di.a.try
n. The study and treatment of foot ailments (po-di'a.trist. n)

Treatment and Surgery of the Foot and Ankle

In-grown Nails • Bunions • Warts • Gout
Corns & Calluses • Diabetic Foot Screening
Foot Odor • Athletes Foot

Treatment for pain in
Feet • Shins • Heels
Knees • Lower Back

Custom-molded Orthotics

Dr. Rushton is a Medicare participant
All Insurances Accepted

Baker City
2830 10th St.
541-524-0122

Every other Monday
in John Day at
Blue Mountain Hospital
170 Ford Rd.
541-575-1311

The doctor speaks Spanish - el doctor habla Espan-ol.

MILLER COORS BREWING

ECHANIS DISTRIBUTING COMPANY
Your local Beer & Wine Wholesale for 45 Years

Coors LIGHT
Cold Activated Bottle
AS COLD AS THE ROCKIES

Miller, SMIRNOFF, FRANZIA, BECK'S, Coors, Coors LIGHT, Ste CHAPELLE

...and other fine beers and wines

Call Bob Blake anytime
541-575-1170

Archery Supplies

Stock Up for Hunting Season

- Guns
- Bows
- Bullets
- Arrows
- Powders
- Tools
- Clothing
- Tents
- Sleeping Bags
- Components

ACE Hardware
The helpful place. John Day * 541-575-0549

Remington, kershaw, Nikon, BURRIS, LEUPOLD, WINCHESTER, C&S, Bushnell