



STATE OF OREGON

INTEROFFICE MEMO

TO: Gerry Thompson

DATE: August 31, 1983

FROM: Bob Oliver *BO*

SUBJECT: Questions concerning Rajneesh

This memo supplements my earlier memo of August 18, 1983, regarding questions presented to you in your meeting with various people on August 12th, concerning the Rajneesh. Agencies have responded to the following additional questions:

1. "How can these people charge citizens to come into the city of Rajneeshpuram (\$2 for adults and \$1 for children) and yet taxes are going into that city?" The Department of Revenue says if the charges are for a tour conducted by the city, home rule authority of the city allows it to enact such revenue ordinances legally. Charging such an amount simply for an entrance into the city probably would not be legal. However, Bob Getz of the Revenue Department says his understanding is, the charge is only for tours.
2. "How are they frisking people that are going into that city on county roads?" The State Police say they have not received firm information of any "frisks" occurring on the county road itself. Major Lamkin says since the bombing of Portland, the Rajneesh have been searching all visitors who enter the private ranch property. This is done only after a waiver has been signed by the prospective visitor (who may turn back, refuse to sign the waiver and avoid entering the private property).
4. "All the workers get is their meals, no salary. They are not paying any state revenues. Violation of church and state?" There is no law which prevents an adult individual from working for another person without a salary, if he or she so chooses. Such an individual obviously would not have any income to pay federal or state tax. The Department of Revenue advises that the Rajneesh must pay corporate or excise income taxes on any non-religious income, such as operation of a hotel or tourist shop. They are subject to audit to verify the accuracy of income, as in the case of any other corporation. The same rules apply with respect to any other religious facility (such as the Mt. Angel Abbey, for example). It is not unusual for religious organizations to invest surplus funds in business operations. This has not been regarded up to now as a violation of the church-state separation doctrine, so long as taxes are paid on income from such investment. If the Rajneesh were prevented from doing this, the rules would have to be applied to other religious organizations such as, for example, the Church of Jesus Christ of Latter Day Saints.

5. "Education of children." One who visits Rajneeshpuram can see at first hand the extraordinary scarcity of young children. For whatever reason, the raising of families is not a priority among residents. The complainants are not specific in their concerns about the education of children. Under Oregon law, there are numerous options available to parents, especially those of formal religious persuasions, for providing primary and secondary education to their children. This can include home instruction (the Governor vetoed a bill passed by the regular session which was opposed by numerous fundamentalist religious families, who feared it would interfere with their right to give home and other private instruction to their children.) Currently there is a controversy involving restructuring of the Antelope School District, indicating some concern on the part of the Rajneesh with this issue. Whether the concern is laudable or subject to criticism is not clear. A primary school was in operation at Rajneeshpuram some months ago, and its operation was in conformity with state standards.

7. "Abuse of child labor laws of the State." The Bureau of Labor and Industries has had no specific complaints involving the child-labor laws. They will, of course, investigate any specific complaints brought to their attention by complainants who met with you.

8. "Is state receiving any money from the tours they conduct?" Income from tours is a non-religious undertaking, and subject to corporate excise and income taxation. Their reporting of this income is subject to audit.

11. "They have their own airport. Is it registered with the State Aeronautics Board? Is anyone free to use this airport?" The airport at Rajneeshpuram received state site approval in October 1982, after a finding by the Aeronautics Division that the Federal Aviation Administration had no objections. A conditional-use permit had been obtained from Wasco County. DEQ had approved the noise impact boundary for the airport. It is currently registered with the Aeronautics Division as a personal-use airport. Personal-use airports throughout Oregon are not open to the general public as a matter of right, but use by the owner and the owner's guests is permitted.

15. "How can they get a permit for a crematorium when we cannot even burn trash in our back yards?" At a December, 1982 meeting, the Environmental Quality Commission issued a variance from particular emission limits for an open-pyre crematorium. DEQ staff determined that because the crematorium is isolated and would have relatively little use, it would have no perceptible effect on this remote area's air quality. The permit requires control of opacity and odors. DEQ says open-air burning regulations vary widely from one part of the state to another. Standards are much stricter in Portland and the Willamette Valley because of the congested population and topographical features.

16. "Is anyone receiving welfare, A.D.C., food stamps, social security benefits?" Social Security benefits are administered by the Federal government, and under the law, such information is confidential. The Adult and Family Services Division, which administers welfare, A.D.C. and food stamps, states that to the best of their knowledge, no residents of Rajneeshpuram are receiving benefits from the agency. Keith Putman says there are persons, who appear to be Rajneesh and who do not live at the ranch, who receive benefits in other communities. However, he says A.F.S. case workers are limited to inquiries bearing on the need of prospective recipients, and may not ask questions regarding religion.

17. "We had a caravan from Horse Mountain Mine. Our license plate numbers were taken down, their peace officers personally escorted us through the ranch as quickly as possible. What right do they have to do this check on county roads?" Oregon State Police say there is nothing illegal about taking down license plate numbers so long as it does not impede traffic. Similarly, it is not a violation of the law to "escort" people on a county road so long as this activity does not control the movement or in any way interfere with normal traffic. Major Lamkim at Bend says he is not aware of any "frisks" occurring on the county road itself. There have been unconfirmed reports that vehicles entering the ranch property on the county road have been stopped by Rajneesh security. However, up to now we have no specific complaints which can be checked out.

21. "They have two different names, given name and one they take. When there is investigation of welfare fraud, expired visas, etc., they must find out their given name." Keith Putman says life is made extremely difficult for case workers of the Adult and Family Services Division because women in general change their names upon marriage, divorce, etc. He says A.F.S. personnel are accustomed to checking name-changes. If an applicant or recipient is Rajneesh, there is all the more reason to make certain the name given is accurate.

23. "What is to keep them from getting two votes with two different names?" Again, as in the case of question #21, changing names can pose a problem to State officials. It is possible for anyone to register in different places under different names, whether Rajneesh or otherwise. However, this is against the law, and if caught an individual would be subject to criminal penalties.

25. "Are they in compliance with fire laws?" The State Fire Marshall says, "They have been extremely cooperative and have complied with everything they have been directed to do, even to the point of removing a roof and installing a sprinkler system on a large assembly area. Naturally, that is not to say there may be some code violations that have not been corrected as they exist in almost any building. We have not had the problem with the Rajneesh as we have had in some of the other private sectors. Obviously, they probably realize that the public eye is on them and it has worked to our advantage in that they have made the corrections we have expected of them."

Questions have been raised in other contexts about property taxes paid by the Rajneesh. The Department of Revenue reports that in counties where properties are known to be owned by the Rajneesh organization, the following taxes were paid:

Jefferson (1982-83)	\$ 6,141.99
Wasco (1982-83)	33,656.73
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Total	\$39,798.72

To date, says the Department, no property tax exemptions have been granted (although the Rajneesh might be entitled to claim such exemptions on property used in Rajneeshpuram solely for religious purposes, such as the Bhagwan's residence).

The issue of children was raised by those who met with you. Karen Roach wrote a memo on August 18, 1983 (copy attached), indicating C.S.D.'s involvement with a complaint from a citizen in Madras who was concerned about the commune's group living unit for children. The C.S.D. licensing manager concluded the facility did not come within C.S.D.'s licensing authority. As Karen points out, the manager's memo became public, and generated intense controversy. C.S.D. maintains its position that the unit is not at this time subject to state licensing, but another unannounced site visit will be made to reconfirm the decision. The Division will continue to process any specific child abuse complaints it receives.

Information still is to be received from the Department of Transportation, the Department of Water Resources and the Health Division on various other matters raised by the complainants who met you. I will process this when it is received, and (if you believe it worthwhile) consolidate all this material into a single report.

Bob