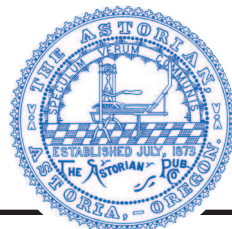


OPINION

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Drug prices act would keep US on equal footing

Oregonians coming to my town halls keep telling me how badly they're getting ripped off by pharmaceutical companies.

Leslie told me the medication his daughter needs to live costs \$45,000 per vial, when it only costs \$200 in Canada. Stephen told me that his wife's insulin costs \$465 per refill, when it costs just \$62.50 in Canada. Dulanda, a senior citizen, told me that she's read about how much more affordable her medications are in other countries.



JEFF MERKLEY

That is outrageous. If \$200 or \$62.50 or any lower price is a sufficient price to pay in Canada, then those lower prices are sufficient in America.

And this is not just an Oregon problem. Not only do 6 in 10 Americans report taking at least one prescription medicine, but 80 percent of them say that the cost of their prescription drugs is unreasonable.

Nearly a quarter of Americans taking prescription medications say the high cost of refills has stopped them or a family member from filling a prescription, or has led them to cut pills in half or skip doses altogether.

And prices keep increasing: From



AP Photo/Elise Amendola

Eighty percent of Americans say that the cost of their prescription drugs is unreasonable.

January to July of 2018, there were price increases on 4,412 drugs. The price decreased on just 46 medicines. That means for every one decrease in price, 96 others became more expensive.

This price-gouging is occurring even as people in other major developed countries are paying a fraction of the cost for the same prescriptions.

Perhaps the most outrageous part of

this disparity is that many of these prescriptions were developed or improved with research that was funded by our American tax dollars!

The only people in this country who think drug prices aren't way too high are the ones getting rich from drug company profits. Virtually all of us will need prescription medication at some point in our lives to deal with illness or injury. It

is far past time to stand up to big pharmaceutical companies' lobbyists, and declare that Americans must get a fair deal when they purchase drugs they need for their health.

That's why I recently introduced a bill to put into law this simple proposition: Drug companies must sell to Americans at or below the price they sell to other developed countries.

My Low Drug Prices Act would require the Secretary of Health and Human Services to establish a reference price: the median price of every drug in 11 of the world's largest developed European countries, and Japan.

Prescription drugs would have to be sold at that reference price to all individuals in the U.S. market, regardless of what kind of insurance they have or whether they're paying themselves.

Oregonians shouldn't have to choose between paying their living expenses and paying for medication. No Oregonian should have to. No American should have to.

My Low Drug Prices Act would finally end the drug company rip-offs and give Oregonians and all Americans the same fair deal on drug prices enjoyed in every other developed country.

Jeff Merkley was first elected to the U.S. Senate in 2008.

OTHER VIEWS

Excerpts from editorials in Oregon newspapers

Albany Democrat-Herald, on equal-pay law

There's nothing wrong with the main idea behind the Oregon Equal Pay Act of 2017, which is driven by the concept that men and women should get roughly equal pay if they're doing work of "comparable character."

That just makes sense in terms of fairness, but we're not there yet, considering recent studies indicating that Oregon women still earn 79 cents for every dollar a man earns. The act, passed by the 2017 Legislature and scheduled to go into effect at the start of the year, seeks to close that gap.

But there's a problem: The state hasn't done nearly all the hard work required to prepare for this major piece of legislation, which has far-ranging impacts for both employees and employers. A weekend story in The Oregonian suggests that the state's Bureau of Labor and Industries, and its lame-duck head, Brad Avakian, have been sluggish in rolling out the rules necessary to implement the law (they weren't published until two days before Thanksgiving) and haven't done nearly what they should have to educate employers.

"The execution of this bill did not go the way I hoped it would," Sen. Kathleen Taylor, D-Portland, told agency members at a recent hearing of the Senate Workforce Committee, which she chairs. "This has left a lot of people rather frustrated. Unfortunately, I didn't hear any justifiable reason why it didn't happen earlier."

The Oregon Equal Pay Act of 2017 expands previous state law to prohibit wage discrimination for gender and adds a number of other protected classes, including race, color, religion, sexual orientation, marital status or age. The new law applies to all forms of compensation, including benefits. An exception in the law allows employers to pay employees different amounts for comparable work if the wage disparity is a "bona fide factor" that is related to the job — a seniority system, for example, or experience or education. The act prohibits employers from screening job applicants based on current or past compensation and also bars them from obtaining the salary history of applicants.

Under the terms of the law, amounts owed to employees due to unlawful pay disparities are considered unpaid wages. Penalties for violations include liability for unpaid wages, compensatory damages, punitive damages, attorneys' fees and the like. But employees may be able to avoid having to pay compensatory and punitive damages if they complete an equal-pay analysis within three years before an employee files a complaint with BOLI or in court.

So you can see how employers in particular might be interested in learning more about how the law will affect them — and why they're frustrated that BOLI took so long to lay out the rules implementing the law. And there's still confusion about some of those rules — for example, BOLI has not provided guidance on what an equal-pay analysis must include to allow a business to claim that

safe harbor against compensatory and punitive damages.

The incoming head of the bureau, Val Hoyle, said that, as a result of the delayed rollout, the agency will focus for the first six months of the year on outreach and education, with an emphasis on smaller businesses, which might not even be aware of the act and may have a challenging time complying with its provisions.

That's the proper position for Hoyle to take, and that could give businesses a bit of a breather in dealing with equal-pay complaints that are filed with BOLI. And Hoyle is right to put the agency's focus on small businesses, which don't have the resources that larger businesses enjoy to sort through the complexities of legislation such as the Equal Pay Act.

Legislators and other state officials love to talk about the importance of small businesses to Oregon's economy. Which is why it's odd that the needs of small businesses so often get buried in the state's haste to pass and implement major changes in policy.

The Oregonian, on game changer for housing

If only national media would stop writing about how great Oregon is. If only Californians would quit moving here. If only developers would stop demolishing older homes in Portland neighborhoods and putting up pricey monstrosities in their place. Then there wouldn't be a housing crisis, right?

Or so goes the wishful thinking by those Oregonians who yearn for the way it was — or at least, their recollection of the way it was — before double-digit rent increases, bidding wars for starter homes and the sight of people living on the streets became so routine. Unfortunately, nostalgia, unrealistic solutions and misplaced blame won't relieve the strain of an unrelenting population boom or reverse the years of underbuilding of new housing units. More than three years after Portland first declared a housing emergency and Oregon's rental vacancy rate dipped to a nationwide low, the state as a whole remains woefully short of creating the housing it needs.

A proposal from House Speaker Tina Kotek to loosen single-family zoning restrictions just might be the game changer Oregon needs. The Portland Democrat plans to introduce a bill next month that requires towns and cities with more than 10,000 people to allow construction of duplexes, triplexes and four-plexes in neighborhoods currently zoned for single-family homes, as Willamette Week and The Oregonian reported. Communities would have 16 months to draw up their framework for such development or cede that responsibility to the state.

Kopec's proposal is a smart and pragmatic approach to a housing problem that goes beyond the Portland metro area and crosses city and county lines. It recognizes that development is most efficient and environmentally responsible in neighborhoods with established networks of schools, parks and transportation. It leverages the economic reality that building two, three or four smaller units on a lot will translate into lower prices or



more affordable rents to a broader range of buyers. And Kotek's proposal sends the unmistakable message to communities, particularly those that have resisted affordable housing in their neighborhoods, that they cannot wall themselves off from the state's shared responsibility to provide housing options for new or displaced residents.

Importantly, in terms of the physical change to neighborhoods, Kotek's proposal is mindful of residents' concerns. Her plan doesn't call for the eradication of single-family homes nor for building megaplexes on every corner. The goal is to offer a broader mix of housing options that can be blended into single-family neighborhoods — think town homes or houses divided into four apartments — giving potential buyers and renters more options at lower prices.

It is, of course, not without controversy. Even in Portland, where residents wring their hands over homeless students hopping from one school to another and the throngs of people living on the street, there's strong opposition to a city-led proposal to allow more development of duplexes, triplexes and four-plexes in neighborhoods zoned for single family housing. Residents eye the Residential Infill Project as a potential giveaway for developers who will destroy "neighborhood character" as opposed to recognizing the cold, hard math of too few housing units for too many people.

But that proposed plan, which has been in the works for years, only adds support for relaxing zoning on a statewide level. Oregon senior economist Josh Lehner wrote about the potential for the Portland proposal on the blog for the Oregon Office of Economic Analysis, even before hearing of Kotek's proposal. He highlighted the findings in a report by a city-hired economist that allowing such modest multi-unit developments in single-family neighborhoods would yield a net increase of 1,800 housing units per year for the next 20 years — a result that should not be underappreciated. "By simply allowing for — not requiring — town homes and triplexes

to be built on existing lands in the City of Portland, the policy can accommodate one out of every seven new Portland area households in the coming decade," Lehner wrote. "That is a big finding."

Increasing density in established neighborhoods with schools, parks and regular public transportation isn't just about providing housing. It's about providing opportunity. Groundbreaking research led by Harvard economist Raj Chetty, who spoke earlier this month at the Oregon Leadership Summit, shows significant differences in outcomes for adults based on the neighborhoods where they grew up as children, even tracking the effects after a child moves to a new neighborhood.

In Portland, not surprisingly, the data maps the greatest economic opportunity in wealthy neighborhoods like Laurelhurst and Alameda with far less economic opportunity associated with childhoods in lower-income neighborhoods. Kotek's proposal offers a relatively painless way to boost such economic opportunity for families who couldn't otherwise get a foothold in such neighborhoods.

Certainly, Kotek's proposal is a starting point that will need refinements. Communities, particularly those just clearing the 10,000-resident threshold, may balk at the state elbowing in on decisions that have traditionally been left to them. Cities may seek to block development through other excessive regulations or fees. And as Kotek herself pointed out, increasing supply is only one front of many on the battle for affordability. But the state can and should step in to lead on this pressing statewide problem on which local jurisdictions have failed.

"We need big ideas if we're going to continue to make some kind of progress on our housing crisis," Kotek told The Oregonian Editorial Board, acknowledging that the heavy lift of such legislation. But it boils down to this: "If people care about the housing crisis and they care about the availability of residential units," Kotek said, "then we have to allow more construction in residential areas."

If only.