

# Oregon rent hikes capped at 9.9% in 2022

By ZANE SPARLING  
Pamplin Media Group

SALEM — Landlords across Oregon may jack up rents as much as 9.9% in 2022, state officials say.

The Department of Administrative Services approved the statewide maximum increase, which takes effect next calendar year, under an emergency rent control law enacted by lawmakers three years ago.

Since then, the max rent hike had been 10.3% in 2019, 9.9% in 2020, and 9.2% in 2021. The law doesn't apply to new construction — or any rental built within the last 15 years.

That might seem like a steep increase to some, but the rise is actually "relatively tame," according to state economist Josh Lehner, considering roller-coaster inflationary trends. "I know some of you may

be scratching your heads given inflation is currently running hot," Lehner said.

Citing data released by the Consumer Price Index this month, Lehner said inflation in non-auto and hospitality sectors is running at about a 4% clip, roughly double the 2% target sought by the Federal Reserve.

But the rent increase formula uses a 12-month average that includes

low-inflation months from the depths of the COVID-19 outbreak.

"The current bout of inflation will mostly be reflected in the 2023 maximum allowable rent increase," Lehner said. "The ultimate economic risk lies in inflation proving more persistent than believed, such that the Federal Reserve steps in and raises interest rates to cool the economy. Not only would

this slow economic growth, but in some historical periods, it has even caused a recession."

Of course, not every landlord will issue the steepest rent hike allowed by law, but the rental market likely will keep the squeeze on.

The vacancy rate for multifamily apartment buildings tightened to just below 5% in the third quarter of 2021, according to Willamette Week. CoStar, a

commercial real estate info broker, says asking rents across the metro area have hit a record high — \$1,508 per unit — which is about a 9% increase compared with last year, and includes many new buildings not subject to the cap.

While the state has promised to bailout tenants who stopped paying rent during the pandemic — the vast majority of renters still are waiting for the check.

## Oregon gives 24,000 state employees six more weeks to get fully vaccinated against COVID-19

By FEDOR ZARKHIN  
The Oregonian

SALEM — More than half of Oregon's state employees now have an extra six weeks to get fully vaccinated against COVID-19, with the deadline pushed back to Nov. 30.

The change affects about 24,000 state employees represented by the Service Employees International Union 503 out of about 42,000 state executive branch employees.

It's unclear if the changes will apply to the remaining 18,000 state employees covered by Gov. Kate Brown's vaccination mandate. But SEIU's success at pushing back Brown's initial Oct. 18 deadline for full vaccination may bode well for other unions.

"The collective bargaining process is still under way with other bargaining units," Brown spokesperson Elizabeth Merah said in a written response to questions Tuesday, Sept. 21.

The same Oct. 18 deadline set by Brown for health care workers and teachers remains in place, Brown's office said.

Brown announced the vaccine mandate among all

executive branch employees Aug. 10, the same day Oregon set case and hospitalization records amid a worsening summer surge. At the time, SEIU made clear its plans to bargain over Brown's mandate.

Union members now have more time to complete shots but no more leeway in getting vaccinated than they did before. Giving workers some extra time to finish the vaccination process, along with a new guarantee that the state will give people extra time off if they need it, will ultimately serve Oregon's end goal, union Executive Director Melissa Unger said.

"They're just nervous, or they have questions they want answered," Unger said of her members. "The state is showing that their goal here is getting people vaccinated."

The new agreement also allays some concerns Unger said SEIU 503 members raised, including whether they will get extra time off if they have side-effects from the vaccine. If a worker has already used up their sick leave, the state will now allow them the time necessary to recover.

Workers now must



Craig Mitchell/derby/The Associated Press, File

**Oregon Gov. Kate Brown announces the end of the state's COVID-19 restrictions in Portland on June 30, 2021. About 24,000 state employees now have until Nov. 30 to get fully vaccinated against COVID-19.**

either get their first shot by Oct. 18 or apply for an exception on the grounds of a disability, medical condition or religious beliefs.

Brown's vaccination mandate applies only to employees in Oregon's executive branch agencies and does not include workers in the court system or legislature. Those who don't comply could be fired, per Brown's August order.

Brown announced the vaccination mandate this summer at the same time she called for indoor masking requirements.

"I am taking action to help ensure State of Oregon

workplaces are safe for employees and customers alike, and I am strongly encouraging all public and private employers to follow suit by requiring vaccination for their employees," she said of the state requirement.

On Sept. 20, SEIU, rather than Brown's office, announced that the deadline to be fully vaccinated had been pushed back six weeks.

It's unclear how many state workers are fully vaccinated. Officials last month couldn't say and Brown's office on Sept. 21 didn't answer.

## Paying frontline workers costs state \$23.6 million

By HILLARY BORRUD  
The Oregonian

SALEM — Oregon will spend \$23.6 million on hazard payments of up to \$1,550 for state employees who were required to work in-person during the first 16 months of the COVID-19 pandemic.

State employees who worked at least 200 hours of overtime during that time frame will receive an additional \$575 payment, under the deal Gov. Kate Brown agreed to in July.

The governor signed off on the payments during contract bargaining with public employee unions, after Oregon lawmakers opted not to pass a broad payment program to reward more frontline workers including in the private sector. But the Brown administration had not calculated the cost of the payments when The Oregonian reported on them and other elements of the new labor contracts in late July.

Now budget analysts have pegged the total cost at \$23.6 million, according to a fiscal document. The money will come from a combination of general fund tax dollars, lottery, federal funds and other nonfederal sources such as earmarked funds and

fees. Lawmakers on the Way and Means committee were scheduled to hear an update on this and other increases in state workers' compensation at a Sept. 17 hearing online but it was canceled along with other check-ins on the workings of state government after legislative leader learned of a COVID-19 case during this week's special session.

The broader frontline worker payment proposal legislators considered in the 2020 legislative session would have cost an estimated \$450 million and also contained \$1,200 back-to-work incentive payment for front-line workers who collected unemployment during the pandemic. Frontline workers who stayed on the job would have received \$2,000 in stimulus money. The Oregonian reported.

States are allowed to use federal American Rescue Plan money to issue payments to frontline workers during the pandemic, and House Speaker Tina Kotek D-Portland, has said that would be her top spending priority for the remaining federal relief funds in 2022.

Kotek announced earlier this month she is running for governor in 2022.

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