

Oregon to become first state to have rent control

■ Bill will take effect immediately after it is signed by Governor Brown

By Sarah Zimmerman
The Associated Press

SALEM — Oregon will become the first state in the nation to impose statewide mandatory rent control after lawmakers passed a measure that will establish protections for people in the increasingly competitive housing market.

The House approved the landmark bill 35-25 on Tuesday, over objections from Republicans who argued rent control will discourage investment and do little to address the state's affordable housing crisis.

The measure, which previously passed the Senate, will now head to Gov. Kate Brown, who has said she will sign it. The bill will take effect immediately, as Democrats say the housing crisis constitutes an emergency.

Rep. Mark Meek, a Democrat from Oregon City who sponsored the bill in the House, said the measure will address the state's homelessness problem and provide Oregon residents "some predictability and stability with their expenses."

Oregon has been struggling to provide housing for the tens of thousands of people moving to the state each year looking for employment and lower costs of living.

The state's seen a 12.8 percent spike in homelessness over the past decade, with high rates of veterans, youth and families living without shelter, according to the U.S. Department of Housing and Urban Development.

"In every corner of Oregon, individuals are facing an emergency," said Rep. Tawna Sanchez, a Democrat from Portland and the Legislature's only Native American lawmaker. "From women fleeing domestic violence, to working families in communities big and small trying to get by, to indigenous people who struggle to find a safe and secure home, this crisis touches all of us."

The measure has made Oregon a nationwide leader in tenant protections, and advocates say rent control is the first step in addressing high rent, gentrification and a lack of affordable housing.

New York has a statewide rent control law, but cities can choose whether to participate.

California restricts the ability of cities to impose rent control. Last November, voters defeated a ballot initiative that would have overturned that law.

Under the Oregon bill, landlords are limited to increasing rent only once per year. That increase can't be higher than 7 percent above the consumer price index — a benchmark figure that tracks average prices for most household purchases in the U.S.

Landlords also can't serve tenants no-cause evictions within a tenant's first year of occupancy, a provision designed to protect those living month-to-month, who are often most vulnerable to sudden rent hikes and abrupt lease terminations.

Republicans warned that the measure will only exacerbate the current housing crisis, saying the regulations will discourage investors and landlords from building and maintaining more property.

"Reduction in landlords means a reduction in housing, plain and simple," said Rep. Kim Wallen, a Republican from Medford. "This is the wrong solution for the whole state to make owning rentals so unpleasant that people simply stop getting into the business."

Opponents add that the state should instead focus on the critical shortage of affordable housing.

It's estimated that 30,000 housing units must be built per year to meet the state's current housing deficit and to build for the future as more people move to Oregon, according to Democrat House Speaker Tina Kotek.

Democrats say that new builders are exempt from the rent control law for 15 years, which is meant to spur development throughout the state. They add that they plan to continue addressing the housing shortage with future legislation to incentivize affordable housing.

"Oregon is open for business," said Meek, who works as a realtor outside the Legislature.

Congress mulls cap on what Medicare enrollees pay for pharmaceutical drugs

By Ricardo Alonso-Zaldívar
The Associated Press

WASHINGTON — With health care a top issue for American voters, Congress may actually be moving toward doing something this year to address the high cost of prescription drugs.

President Donald Trump, Democrats trying to retire him in 2020, and congressional incumbents of both parties all say they want action. Democrats and Republicans are far apart on whether to empower Medicare to negotiate prices, but there's enough overlap to allow for agreement in other areas.

High on the list is capping out-of-pocket costs for participants in Medicare's popular Part D prescription drug program, which has a loophole that's left some beneficiaries with bills rivaling a mortgage payment.

The effort to cap out-of-pocket costs in Medicare's prescription plan is being considered as



WesCom News Archive

The effort to cap out-of-pocket costs in Medicare's prescription plan is being considered as part of broader legislation to restrain drug prices.

part of broader legislation to restrain drug prices.

Limits on high medical and drug bills are already part of most employer-based and private insurance. They're called "out-of-pocket maximums" and are required under the Obama-era health law for in-network services. But Medicare has

remained an outlier even as prices have soared for potent new brand-name drugs, as well as older mainstays such as insulin.

"The issue has my attention," said Sen. Charles Grassley, R-Iowa, chairman of the Senate Finance Committee, which oversees Medicare. "Out-of-

pocket costs are a concern of ours, particularly at the catastrophic level." His committee has summoned CEOs from seven pharmaceutical companies to a hearing Tuesday.

While Grassley said he hasn't settled on a specific approach, the committee's top

See **Medicare** / Page 2B

Survey: Half of business economists see recession by 2020

By Martin Crutsinger
AP Economics Writer

WASHINGTON (AP) — Roughly half the nation's business economists say they think the U.S. economy will slip into recession by the end of next year, and three-fourths envision such a downturn beginning by the end of 2021.

The finding comes from the latest survey by the National Association for Business Economics of its member economists. Just 10 percent of them say they foresee a recession beginning this year. At the other extreme, only 11 percent expect the economy to avoid a recession through 2021.

The economy began its expansion in June 2009, when the Great Recession officially ended. If it endures beyond June this

year, the expansion will become the longest on record. Compared with others, the current one has been tepid, with annual economic growth averaging just slightly above 2 percent. But many economists say its modest pace has helped prolong the expansion, in part by keeping inflation in check.

The NABE economists approve of the Federal Reserve's management of interest rates, with nearly three-quarters of them calling the Fed's policy-making "about right."

Having raised rates four times last year, the Fed and its chairman, Jerome Powell, have pledged to be "patient" about rates — which most analysts have taken to mean that they're done raising rates for at least a few months. Investors are

collectively betting that the Fed won't raise its benchmark rate at all this year. But the NABE survey found that 39 percent of economists foresee one rate increase — and 26 percent say they think the Fed will raise rates twice this year.

In other areas, the NABE survey found:

- The economists were divided on how to address the government's swollen budget deficits, with about half of them favoring higher taxes and half favoring spending restraints. Among potential tax increases, 50 percent support a broad-based energy or carbon tax, and 48 percent support raising individual or corporate taxes.
- On a proposal by Rep. Alexandria Ocasio-Cortez, a

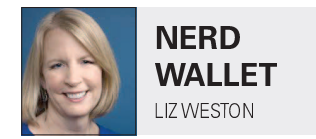
freshman New York Democrat, to raise the marginal tax rate on the very wealthy to 70 percent, 42 percent of respondents to the NABE survey said they thought such a tax would have a net negative effect. By contrast, 17 percent said they believed it would benefit the economy. An additional 33 percent of those surveyed said the effect could be negative or positive depending on how the extra tax revenue were used.

- More than 90 percent of NABE economists said the increased tariffs that the Trump administration has imposed in its trade conflicts with China and other countries will slow economic growth this year. Their estimates range from

Should you move abroad for health care?

The notion health care outside the U.S. could be good as well as cheap is a foreign one to many Americans.

Kathleen Peddicord frequently hears from such skeptics as founder of Live and Invest Overseas, a site for people curious about living abroad. Actual expats like her, however, tell of good-quality care at a fraction of the U.S. price. Treatment for a motorbike accident in Panama cost her \$20. Emergency dental surgery that might cost \$10,000



NERD WALLET
LIZ WESTON

or more in the U.S. was \$4,500 in Paris. In many countries, medications that would require a prescription in the States are available directly from licensed pharmacies at low prices, thanks to government subsidies or regulation.

"The health care in a lot of places around the world is very

good, as good as in the United States," says Peddicord, who currently divides her time between Paris and Panama. "Some places, it is better."

Low-cost, quality health care usually isn't the main reason people move abroad, says expat and Mexico resident Don Murray, who writes for rival site International Living. But reduced medical expenses are part of the lower living costs that prompt many Americans to relocate, he says.

Expatriate numbers are on the rise

About nine million Americans who aren't in the military live outside the U.S., according to State Department estimates. That's increased considerably from its 1999 estimate of three million to six million. The number could rise in coming years as millions more Americans barrel toward retirement without enough income to maintain their standard of living.

See **Weston** / Page 2B

Unclaimed \$1.5B jackpot mystery: Winner died? Ticket lost?

By Jeffrey Collins and Rebecca Santana
The Associated Press

SIMPSONVILLE, S.C. — Nearly everyone in this small South Carolina town has a theory for the city's billion-dollar mystery: Who won the \$1.5 billion Mega Millions jackpot announced last October?

Maybe the winner was so overwhelmed upon seeing the winning numbers that she or he died on the spot? Maybe the winner is on the run from police and fears a background check? Maybe that winning ticket fell from a car visor, ended up in a trash can and is forever buried at the Twin Chimneys Landfill. Or maybe, the winner is still going

on with life as usual, before quietly taking the \$878 million lump sum.

With less than two months to go, the clock is ticking. Whoever won the second largest lottery in U.S. history has until 5 p.m. on April 19 to walk into the South Carolina Lottery office in Columbia with the signed ticket and claim the jackpot.

The winning ticket was sold at the KC Mart in Simpsonville sometime between Oct. 20 and the drawing at 11 p.m. on Oct. 23. Store employee Jee Patel said State Law Enforcement Division agents were waiting in the parking lot when workers came to open at 6 a.m. the next day.

"We didn't even know we sold the winner yet," Patel said, adding agents immediately took the surveillance tapes away. "We haven't seen them. I don't know when we sold it or who we sold it to."

Simpsonville is a rapidly growing suburb of about 22,000 people south of Greenville. The store is away from the suburban core on a two-lane road past the four-way stop and several recently constructed subdivisions. Everyone entering the store on a recent cold winter day figured the winning ticket was sold to someone living or working nearby.

Christian Porchak lives a mile from the KC Mart, where

he bought tickets for the big drawing. He felt a brief rush when he heard it sold the winner. Just as quickly, though, his hopes were dashed as he checked his numbers over — and over — again: "I know I checked every ticket I bought. But there's that nagging feeling that maybe I didn't check every one."

As with all great mysteries, there are some far out conspiracy theories. Chris Watson prepares hot dogs and hamburgers at the KC Mart's grill. He wonders if Mega Millions ever planned to award the jackpot at all, instead using it as an excuse to sell more tickets.

"What I don't understand is

See **Lottery** / Page 2B

