

Oregon Lawmakers Pass \$32 Million Relief Package For Renters, Businesses And Workers

by Dirk VanderHart Follow OPB April 23, 2020 3:20 p.m. | Updated: April 24, 2020 8:25 a.m.

Oregon lawmakers approved more than \$32 million in state spending Thursday, passing an emergency aid package meant to help renters, small businesses, domestic violence survivors, and workers that have been disadvantaged by the novel coronavirus.

At the same time, the Legislative Assembly's joint Emergency Board gave Gov. Kate Brown the authority to spend up to \$300 million in federal aid the state has received. That money had no specific destination, though it must be used under federal guidelines to address the coronavirus.

Taken together, the money amounts to the strongest action that Oregon lawmakers have taken since the pandemic fundamentally shifted American life. And it came in an unprecedented hearing: Citing safety concerns, the Emergency Board's 20 members all attended remotely, either by phone or video conference.

"I've never been a part or seen anything like this before," said Senate President Peter Courtney, D-Salem, who co-chairs the committee alongside House Speaker Tina Kotek, and whose dog could occasionally be heard over the proceedings. "I hope that each of you feels honored to be a part of this emergency board and part of Oregon's history."

The emergency board has the authority to spend money when lawmakers are out of session but is limited to a special emergency fund. At the outset of Thursday's meeting, the fund contained \$50.65 million, from which lawmakers spent the following:

\$12 million for rent assistance and motel vouchers for disadvantaged communities. Most of the money, \$8.5 million, will go directly to landlords on behalf of renters making at most 50 percent of area median income. The remaining money is intended to pay for hotel or motel rooms for specific groups, such as farm workers or people without stable housing.

\$5 million in financial assistance to businesses with a maximum of 25 employees. This money will be matched with another \$5 million from the Oregon Business Development Department, creating a \$10 million fund that will offer assistance to small businesses that haven't been able to access federal aid such as the fast-depleted Paycheck Protection Program.

\$2 million for survivors of domestic and sexual violence. The money will be delivered via grants to dozens of organizations around the state and will focus on housing.

\$10 million to create a wage replacement fund for newly unemployed workers who are unable to access routine unemployment payments for reasons such as their immigration status. This funding, a focus of community groups in recent weeks, proved the most contentious proposal for state dollars.

\$3.35 million to help workers in long-term care facilities pay for coronavirus testing and offer caregivers training in infectious disease prevention.

\$119,778 to pay for a new human resources employee in the Bureau of Labor and Industries, which is understaffed even as it's seeing high demand during the pandemic.

The lawmakers on the Emergency Board — 13 Democrats and seven Republicans — largely agreed on most items, though some raised concerns that the haste to address the emergency could lead to money skipping over areas that are farther away from Salem.

“I am deeply concerned that it’s not going to help all of Oregon the same,” Rep. David Gomberg, D-Otis, said of the small business assistance package. The fund is slated to be distributed via a network of community development financial institutions in the state, many of which are along Interstate 5. “I think it would be naive to suggest proximity doesn’t matter,” Gomberg said.

Rep. Greg Smith, R-Heppner, voiced similar concerns, but ultimately supported the package. “I know the intent of this legislation, and if we can help a handful of businesses stay afloat that’s good,” he said.

The debate was more fraught on the \$10 million package to assist workers who don’t qualify for unemployment insurance. That so-called Oregon Worker Relief Fund would rely on community agencies to reach out to workers in need, offering up to \$590 a week.

But the novel tool will require an entirely new administrative structure, officials say. Because of that, up to \$1 million of the money lawmakers allocated can be spent on administrative costs, though at least some of that is expected to be defrayed by community fundraising.

Those costs, along with the untested nature of the program, gave some lawmakers heartburn. The measure still passed 15-5.

Even more controversial was a spending proposal that was ultimately put on ice because of concerns.

Legislators took up a proposal to create a \$50 million fund to offer zero-interest loans to rural hospitals, who have taken an enormous financial hit during the pandemic. The money would come from the federal government, not the state, but lawmakers from both parties railed against the plan.

Hospitals should not have to pay back the money they received, they said.

“We would look so incredibly foolish if we allowed hospitals to go bankrupt during a global pandemic,” said Sen. Betsy Johnson, D-Scappoose. “The way this is constructed right now, I’m not sure I can support it.”

Rep. Rob Nosse, D-Portland, said that cash-strapped hospitals might not be interested in a loan program, as opposed to a grant that would not have to be repaid. “I worry that there’s not going to be any hospital that takes advantage of this,” said Nosse. “That we will have \$50 million in federal money just sitting there not getting used.”

After a recess, Kotek and Courtney suggested delaying the proposal for a later date, suggesting it will re-emerge at some point in a retooled form. The motion passed unanimously.

The largest amount of money considered in the session was \$300 million in federal lawmakers gave the governor’s office to use as it sees fit, through the state’s Department of Administrative Services. That could help defray costs such as tens of millions spent on purchasing personal protective equipment for the state, Kotek said.

Oregon expects to receive roughly \$1.6 billion from the Coronavirus Relief Fund approved by Congress, though it’s likely that between \$200 and \$300 million of that will go to local governments, according to budget officials.

The state's top budget officer, Ken Rocco, told lawmakers Thursday that the state has received its first infusion of the money — \$871 million. But Oregon and other states are still awaiting clarity on how the money can be spent. "There's been a great amount of uncertainty," Rocco said.

Lawmakers expect to give state agencies the authority to spend far more money to address the COVID-19 pandemic in the future.

Beyond the relief package, the emergency board released previously approved money for battling wildfires, public defense services, and paying raises to some non-state healthcare employees.