E Legislative Agenda

Updating the Agricultural Workforce Housing Credit



What is the Agricultural Workforce Housing Credit (AWHTC)?

The Agriculture Workforce Tax Credit is a state income tax credit used to develop or rehabilitate housing for agricultural workers, both housing on farm and in community. The AWHTC is available to anyone who pays for the development of qualified housing. Owners/operators must agree to maintain the housing for agricultural workers for at least 10 years.

What does House Bill 2096 do?

HB 2096 would update the program by making the tax credit more flexible and create a separate application process for communities that combine the AWHTC with other development resources. OHCS is also seeking a \$9.5 million increase for this program.

Why do it?

The demand for Oregon's AWHTC is consistently higher than the available funds. 2020 has demonstrated the need for increased housing for this essential workforce, with both COVID and wildfires disproportionally impacting agricultural workers. Now is the time to increase investment and respond to growing needs.



<u>Above</u>: Colonia Unidad in Woodburn, developed by the Farmworker Housing Development Corporation <u>Below</u>: Kiyokawa Orchards in Hood River, an on-farm development



What are the exact changes to the program under House Bill 2096?

- Increases the tax credit to \$24 million a biennium, a \$9.5 million increase for this program.
- Allows OHCS to monetize the tax credit, as many growers are unable to utilize the credit
- Allows OHCS to allocate the tax credit yearly or biennially, which would allow OHCS to pair the AWHTC with other development funds
- Updates terminology in statute, confirming the use of 'agricultural worker' versus 'farmworker'

