

OREGON LAW CENTER

921 SW Washington, Suite 516
Portland, Or. 97205

TESTIMONY IN SUPPORT OF SB 323
Before the Senate Committee on Rural Communities and Economic Development
February 12th, 2013
Submitted by: Sybil Hebb

Chair Roblan, Vice-Chair Baertschiger, and members of the Committee:

On behalf of the Oregon Law Center, I submit this written testimony in support of Senate Bill 323, which would extend the current tax credit program for farmworker housing development. This tax credit program helps to preserve and improve access to an important source of affordable housing for Oregon agricultural workers and their families. I thank the committee for allowing me the opportunity to provide testimony in support of this program.

The Oregon Law Center (OLC) is a non-profit law firm whose mission is to achieve justice for the low-income communities of Oregon. A large number of our clients are low-wage workers, some of whom have jobs on farms or processing and handling crops in rural areas around the state. Just like employees in other sectors, these laborers work hard to earn a decent living and provide basic necessities for their families. The availability of safe and affordable housing for farmworker and agricultural worker families is crucial not only to their livelihood, but to strengthen and maintain a strong economy locally and regionally.

Study after study has cited the lack of affordable housing in rural areas for low income individuals. The Farmworker Housing Tax Credit (FHTC) set out in ORS 315.164 encourages development and maintenance of safe, stable, and affordable housing for the workers who are so integral to the success of Oregon's agricultural economy. When the struggles of finding a safe and stable home are alleviated for our state's agricultural workers, their families thrive. Oregon's children growing up in secure housing suffer fewer illnesses and achieve higher graduation rates. Oregon's model of farmworker housing has been nationally recognized as achieving excellent results through collaboration between developers, communities, advocates, health care providers, and employers. Rural communities are stronger and healthier as a result of this program.

The tax credit program leverages and facilitates private investment in development of this resource that is so essential both to agricultural employers and their employees. The current program is set to sunset in 2014. Unless the sunset is extended until 2020, we will lose this important tool for development of critical housing resources. Due to the preparation and timelines involved in seeing an affordable housing development project to completion, a tax credit that is set to expire fewer than six years from this legislative session could have the effect of halting future development and rapidly depleting existing stock of quality housing.

For the above reasons, we urge your support for the extension of the sunset on this program until 2020, in the interest of predictability and stability for developers, employers, and most importantly, families. We thank you for your efforts to help preserve this important resource.