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Support Agricultural Workforce Housing – SB 114

Two Opportunities in 2019 to Support Agricultural Workforce Housing!

Renew the “Agricultural Workforce Housing Construction” Tax Credit

Since 1989 this tax credit has been working to address the serious and growing shortage of safe and affordable housing for Oregon’s agricultural workers. In 2000 the Farmworker Housing Interim Task Force concluded that “[f]armers, community-based groups, faith organizations, government agencies, and the private sector need to work together to provide an adequate mix of safe, decent, and affordable housing for farmworkers.” Today, this credit remains a key tool in the development of affordable housing for Oregon’s agricultural workforce.

How does it work?

Taxpayers are allowed a credit for the construction, rehabilitation, or acquisition of agriculture workforce housing in Oregon. The credit is 50% of the eligible costs of housing projects. The credit is taken over five years in equal amounts and is transferrable. The following must be met for eligibility:

- Rehabilitation projects must restore housing to a condition that meets building code requirements.
- Housing must be registered, if required, as an agriculture workforce camp with the Department of Consumer and Business Services.
- The housing must be occupied by agriculture workers.

According to data from Oregon Housing and Community Services (OHCS), between 2001 and 2012, tax credits were integral parts of funding packages that resulted in the construction of 1,257 units—830 community-based and 437 on-farm.

Create a Complimentary “Agricultural Workforce Housing Operations” Tax Credit

In 2017 Sen. Courtney-D and Sen. Thomsen-R assisted in negotiating the Agricultural Workforce Housing Operations Tax Credit. The resulting concept creates a complimentary tax credit for operating and maintaining housing for agricultural workers. This credit is designed to preserve and improve housing options for agricultural workers and compliment the Agricultural Workforce Housing Construction Tax Credit. It is not meant to divert funds from the current construction credit, rather add to it.

The language is the result of years of discussions in the Agriculture Workforce Housing Facilitation Team and negotiations with stakeholders. The final compromise and negotiated package reflect the following:

- Tax Credit would cover 50% of eligible costs incurred during the tax year.
- Eligible housing must comply with all occupational safety and health laws, rules, regulations, and standards.
- Requires registration for farmworker housing that utilized the credit.
- Prohibits accessing the credit if employing temporary H-2A workers.
- Prohibits owner from charging workers for utilities covered by credit.