

## HB 2096 A STAFF MEASURE SUMMARY

### House Committee On Housing

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**Action Date:** 03/09/21

**Action:** Do pass with amendments and be referred to Revenue by prior reference. (Printed A-Eng.)

**Vote:** 8-0-0-0

**Yeas:** 8 - Campos, Fahey, Marsh, Meek, Morgan, Neron, Weber, Zika

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

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**Meeting Dates:** 1/26, 3/4, 3/9

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#### WHAT THE MEASURE DOES:

Increases available tax credits for agriculture workforce housing projects from \$3.625 million per year to \$24 million per biennium.

#### ISSUES DISCUSSED:

- COVID-19 and September 2020 wildfires underscored insufficient supply of agriculture workforce housing
- Funding options created through biennial funding cycle
- Prioritization of agricultural worker tenants for in-community developments
- Pilot program to monetize tax credits to incentivize entities that have no tax liability

#### EFFECT OF AMENDMENT:

Eliminates provision that the Housing and Community Services Department may buy, sell, hold, lease, or pledge credits, or act as a third-party agent in the sale of tax credits for agriculture workforce housing projects.

#### BACKGROUND:

The agriculture workforce housing construction tax credit provides support for the construction, rehabilitation, and acquisition of housing for agricultural workers and their immediate families. The COVID-19 pandemic highlighted a housing shortage for agricultural workers, and in June 2020, Governor Kate Brown directed \$10 million from the Coronavirus Relief Fund for agricultural workforce housing including an assistance program to provide hotel and alternative housing.

The tax credit may be taken for 50 percent of eligible costs for agriculture workforce housing development and may be taken for the tax year in which the project is completed and in any of the nine years following the project's completion. The maximum allowable credit claimed by a taxpayer in a given year cannot exceed 20 percent of the total allowable credit. The tax credit program sunsets December 31, 2025.

House Bill 2096 A increases available tax credits for agriculture workforce housing projects from \$3.625 million per year to \$24 million per biennium.