# Workforce Housing Legislative Proposals:
## 2019-20 Legislative Session

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<th>Proposal</th>
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| **AB 544/SB 484**  
*Workforce Housing Tax Credit* | • Creates a transferable, non-refundable income tax credit for workforce housing projects.  
• The two-year tax credit program, funded by a one-time transfer of WHEDA surplus funds, is capped at $10 million total.  
• Individual tax credits may not exceed 50% of the total project cost.  
• The claimant must be: 1.) The lender 2.) The developer; or 3.) The business building the project.  
• To be eligible for the credit: 1.) The project must be in a rural county; 2.) There’s a need for manufacturing workers in the area; and 3.) The project is for occupants that meet WHEDA income guidelines.  
• The project must first attempt to exhaust all available funding from the following: 1) CDBG funding; 2.) TIF Financing; and 3.) Other WHEDA financing programs  
• Priority will be given to projects that: 1.) Create jobs; 2.) Have funding from non-state sources; and 3.) Are ready to begin.  
• Requires the Department of Administration to report annually to the Legislature’s Joint Finance Committee (JFC) information on the amount and use of CDBG revolving loan funds held by the Department.  
• Gives JFC authority to object to CDBG-RLF funded projects and reallocate the funding to other eligible projects. | WEDA is currently working with the legislative authors on a potential and wide-ranging amendment to the bill. |
| **LRB-2128**  
*Workforce Housing Sales Tax Exemption* | • Creates a sales exemption for the purchase of building materials and equipment used for the construction of workforce housing.  
• Defines workforce housing as: 1.) Housing that does not cost more than 30% of the median household income for the county in housing is located; and 2.) Housing intended | The bill is awaiting introduction. |
for occupants whose household income is between 60% and 120% of the county’s median household income.
- The tax does not apply to materials purchased for the development or construction of property for public use.

| LRB-3862  
Home Rehabilitation Tax Credit | Creates a refundable individual income tax credit for expenses related to rehabilitation of single-family homes.  
- The credit is equal to 10% of the amount spent on eligible home rehab expenses.  
- Individual credits cannot exceed $15,000.  
- To be eligible: 1.) Initial construction of the home must be pre-1980; and 2.) The home must have a fair market value that doesn’t exceed the county median price for homes.  
- The legislation requires tax credit claimants to be full-year state residents and the rehabilitated home must be their primary residence. | The bill is awaiting introduction. |

| LRB-4317  
Workforce Housing TIF Legislation | Creates a workforce housing TIF District that: 1.) 60% of which must be used for new workforce housing development; and 2.) Has a lifespan of 15 years.  
- Extends the current law provision that allows municipalities to extend the life of a TID to improve housing stock within the community from 1 year to 3 years.  
- Permits municipalities to exempt workforce housing development from local impact fees.  
- Increases from $1,000 to $2,000 the amount a municipality can exceed their levy limit for the construction of each new single-family home.  
- Requires automatic approval of workforce housing development if the development is consistent with the municipality’s zoning ordinances or comprehensive plan. | WEDA is currently working with the legislative authors on modifications to the bill prior to introduction. |