

Testimonial Support for HB 3523 – Wildfire Settlement Tax Subtraction

March 30, 2023

To Whom It May Concern:

Greetings, my name is Karana Ellis and I am writing to you today with my testimony in support of House Bill 3523. My family lost everything in the Archie Creek fire; we lost our home, our forest, and all personal belongings. Since that day of September 8th, 2020, we have gone from a life of great abundance—with a home of our own, a beautiful garden and forest from which we could live and work in, and a piece of land where our children could walk through the forest to visit their grandparents and uncles to a life of tremendous hardships and emotional turmoil—feeling the severity of our loss while moving between various short-term rentals throughout the years as we struggle to find new work while also trying to reestablish ourselves back on the land. Rebuilding and recreating what we once had has been an impossible task as the costs to get back to even close to where we once were are far beyond our current means. With no insurance and a loss of the facilities that sustained our livelihoods, it has been extremely difficult to start anew. That being said, one glimmer of hope is that given that we know for a fact that this fire was started due to the negligence of Pacific Power, we are hopeful that we will at least at some point be compensated for our losses.

However, it has come to our attention that in the event of a settlement, we will actually be taxed on that money as if it is income rather than what we are rightfully owed due to our losses. What is more, we are said to be expected to pay for the total settlement amount even though a large percentage of this will go to our legal representatives. This would unfairly leave us with only a third, or even less, of the total settlement amount, which makes becoming whole again still nearly impossible. It is for these reasons I am in full support of House Bill 3523, so my family and our community can truly be made whole again to finally start our lives anew, and therefore receive what we are genuinely owed and not a small fraction thereof.

Thank you for your time and consideration in these matters.

Sincerely,

Karana Ellis