



February 5, 2024

The Honorable Chuck Schumer  
322 Hart Senate Office Building  
Washington, DC 20515

The Honorable Mitch McConnell  
317 Russell Senate Office Building  
Washington, DC 20510

The Honorable Alex Padilla  
331 Hart Senate Office Building  
Washington, DC 20510

The Honorable Laphonza Butler  
112 Hart Senate Office Building  
Washington, DC 20510

Subject: Support of H.R. 7024 The Tax Relief for American Families and Workers Act of 2024

Dear Majority Leader Schumer, Minority Leader McConnell, Senator Padilla, and Senator Butler:

I applaud your unwavering support for wildfire recovery and resilience policy over the years. You have been a true advocate helping families and communities recover from devastating wildfires throughout the nation. As the Trustee of the Fire Victims Trust (FVT), I am writing to request your support for H.R. 7024, The Tax Relief for American Families and Workers Act of 2024, which amends the IRS Code of 1986 and would exclude qualified wildfire relief payments from gross income.

The FVT was established in July 2020 as a result of the PG&E Bankruptcy settlement. The FVT evaluates, administers processes and resolves eligible claims arising from the 2015 Butte Fire, 2017 North Bay Fires, and the 2018 Camp Fire. As of January 2024, the FVT has paid over \$11 billion to claimants and provided determination notices to 100% of all claims. The fact that families and businesses will have to pay taxes on these claims, as well as attorney fees, adds insult to injury. By exempting qualified disaster areas from the IRS Code of 1986, you are keeping money in the pockets of fire survivors who are struggling to rebuild their lives, homes and businesses.

I believe that the monetary compensation received after losing one's home or business should not be regarded as income in the same way that wages or benefits are. If it is, a series of unintended consequences might take place and perpetuate more barriers and burdens within the recovery process, making individuals who have lost everything come up against the potential loss of benefits and increased taxes.

Thank you again for your continued advocacy, partnership, and support for fire victims throughout California. We urge you to support and move H.R. 7024 forward, making sure these important policies protect PG&E claimants in the Fire Victim Trust process.

If you have any questions, please contact Darby Kernan at 916-284-9872 or [dkernan@mosaicso.com](mailto:dkernan@mosaicso.com). Thank you again for your time and consideration.

Sincerely,

Cathy Yanni, Trustee