

HJM 201 STAFF MEASURE SUMMARY

Carrier: Rep. Cate

House Committee On Climate, Energy, and Environment

Action Date: 02/10/26

Action: Be Adopted.

Vote: 12-0-0-0

Yeas: 12 - Andersen, Cate, Edwards, Gamba, Helm, Levy B, Levy E, Lively, Marsh, McDonald, Osborne, Owens

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Erin Pischke, LPRO Analyst

Meeting Dates: 2/5, 2/10

WHAT THE MEASURE DOES:

The measure urges the U.S. Congress to pass legislation to permanently extend federal tax cuts for wildfire victims.

ISSUES DISCUSSED:

- Labor Day wildfire victims' settlements
- Wildfire victims' payments for legal support and court fees
- Need for future funding for wildfire victims

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 1520 (2024) established a personal income tax subtraction in Oregon for any amount received since 2018 in the judgment or settlement of a civil action arising from any wildfire declared an emergency by the governor in 2018 through 2025. The Federal Disaster Tax Relief Act of 2023 provided that qualified wildfire relief payments were not subject to taxation. The federal provisions that fully excluded wildfire-related settlement payments from personal income taxation expired at the end of 2025. Beginning in 2026, some wildfire-related settlement payments will again be subject to federal income taxes.