



Oregon

Kate Brown, Governor

Seismic Safety Policy Advisory Commission

Oregon Emergency Management

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June 1, 2020

Representative Greg Walden
2185 Rayburn House Office Building
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Congressman Walden:

While I know most of the energy in Congress right now is properly directed toward our nation's response to the COVID-19 pandemic, I wanted to alert you to some federal legislation that could use support from our Oregon House delegation in the area of earthquake safety. I am Chair of the Oregon Seismic Safety Policy Advisory Commission (OSSPAC), and work with the Governor and the Legislature on improving the seismic resilience of Oregon. Our mission is to positively influence decisions and policies regarding pre-disaster mitigation of earthquake and tsunami hazards, and to increase the public understanding of hazards, risk, and vulnerability through education. I discussed this legislation with the Commission at our January meeting and while it is a bit out of our jurisdiction since it concerns federal policy, they agreed that it was important enough to write and ask for your support.

The bipartisan legislation is the Catastrophe Loss Mitigation Incentive and Tax Parity Act of 2019 (HR 5494) introduced by Rep. Thompson of California. It seeks to ensure that state-based disaster mitigation grants that are given to homeowners receive the same federal tax exemptions as federal mitigation grants currently do. As you know, FEMA Stafford Act grants to homeowners are not subject to federal income tax. However, if a homeowner receives a state-based grant for similar disaster mitigation work, they must pay federal income tax on the grant money on top of their personal investment.

While the state of Oregon does not offer direct grants right now to homeowners for retrofitting their home against earthquakes, we have made just such a suggestion in our recent report "Encouraging Homeowner Resilience through Earthquake Insurance and Seismic Retrofit" (OSSPAC, 2018). By supporting this simple legislation, it would provide greater incentive for homeowners to take action to protect their home from any natural disaster including wildfires, windstorms and earthquakes. In addition, pre-event mitigation is not only the right thing to do to increase our resilience but makes good financial sense as well. According to FEMA's 2017 Interim report, each \$1 spent on mitigation saves society \$4 in future disaster costs.

Thanks for your consideration to support this important legislation. If you have any questions, please do not hesitate to contact me.

Jeffrey R. Soulages
Chair, Oregon Seismic Policy Advisory Commission

cc: Mike Harryman, Oregon State Resilience Officer
Tiffany Brown, Vice-Chair, OSSPAC