



September 5, 2024

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

**RE: Senate Bill 946 (McGuire) – REQUEST FOR SIGNATURE**

Dear Governor Newsom,

On behalf of the Rural County Representatives of California (RCRC), we respectfully request your signature on Senate Bill 946 (McGuire). This measure establishes exemptions from gross income for grant funds received by residents from the California Wildfire Mitigation Program to aid with wildfire home retrofits. RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each member county.

Numerous studies have shown that retrofitting homes to make them more resistant to the impacts of wildfire, known as home hardening, is an effective way to reduce risk of ignition in the event of a high severity wildfire. This is particularly effective if home hardening efforts are implemented communitywide and to the highest standards. These retrofits are costly, however, and it can cost several thousands of dollars to harden an existing home to the most fire-resistant standard. Estimates in many of our member counties have shown costs in the range of \$30,000-40,000 to fully fire harden an older home.

In 2019, Assembly Bill 38 (Wood) included, among other things, a program to aid low-income homeowners in high fire hazard areas with grant funds to help retrofit their homes. The California Wildfire Mitigation Program (CWMP), as it is now known, is currently serving as a pilot and is funding projects right now to aid low-income residents in fire prone communities with home hardening measures. Unfortunately, an unintended consequence of the grant funds is that recipients,

1215 K Street, Suite 1650, Sacramento, CA 95814 | [www.rcrcnet.org](http://www.rcrcnet.org) | 916.447.4806 | Fax: 916.448.3154

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who are receiving the funds because they need financial assistance with retrofits, are under threat of being taxed thousands of dollars by the state for funds received under the program.

SB 946 offers a simple exemption from state income tax for recipients of CWMP program funds. It is a commonsense measure to prevent residents in the greatest need of this fire hardening aid from facing untenable financial ramifications at tax time. Establishing the exemption will also encourage participation in the program, which will help foster communitywide fire hardening in the areas of California that need it most.

For the above reasons, RCRC respectfully requests your signature on SB 946. Please do not hesitate to contact me at [sheaton@rcrcnet.org](mailto:sheaton@rcrcnet.org) with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Staci Heaton", with a stylized flourish at the end.

STACI HEATON  
Senior Policy Advocate

cc: The Honorable Mike McGuire, Member of the California State Senate