



August 30, 2022

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

RE: AB 2622 (Mullin) – Request for Signature

On behalf of the City of Santa Rosa, I write to respectfully request that you **SIGN** AB 2622 (Mullin). This bill would extend the sunset date on the state sales and use tax exemption for zero-emission buses (ZEBs) purchased by California public transit agencies from January 1, 2024 to January 1, 2034.

In 2019, AB 784 (Mullin) was signed into law, which provides an exemption from state sales and use taxes for ZEBs purchased by California public transit agencies. The intent behind this bill was to further encourage California public transit agencies to purchase ZEBs over conventionally fueled buses and to aid transit agencies in complying with the California Air Resource Board's (CARB) Innovative Clean Transit (ICT) regulation by reducing the upfront costs for these currently more expensive technologies. The ICT regulation requires public transit agencies to completely transition their bus fleets to zero-emission technologies by 2040.

We project that this sale and use tax exemption, if extended, would continue to save transit agencies between \$30,000 and \$50,000 on each ZEB they purchase. The money saved would allow transit agencies to purchase additional ZEBs or fund other aspects of the transition, such as charging infrastructure. AB 2622 would further encourage transit agencies to accelerate the purchase of ZEBs to address climate change and improve air quality, consistent with the ICT regulation.

The City of Santa Rosa has taken an aggressive approach to transit fleet electrification, with all current and future fixed-route bus purchases planned to be battery-electric, and over 50% of our fleet funded for replacement with battery-electric buses. Our electric bus transition has already benefited from the current sales and use tax exemption on our first four battery-electric buses as well as an upcoming purchase of an additional five electric buses. The savings associated with the current sales and use tax exemption has provided valuable additional resources to support development of the charging infrastructure needed to support electrification.

Office of the Mayor
City of Santa Rosa
100 Santa Rosa Avenue, Room 10
Santa Rosa, CA 95404



The City of Santa Rosa has long-supported efforts promoting the transition to clean transportation and we hope that you will sign AB 2622 at the appropriate time.

Thank you for your consideration and if you have any questions, please contact our legislative advocate, Sharon Gonsalves, with the Renne Public Policy Group, at (916) 974-9270.

Sincerely,

A handwritten signature in black ink that reads "Chris Rogers". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chris Rogers
Mayor

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City of Santa Rosa
100 Santa Rosa Avenue, Room 10
Santa Rosa, CA 95404