



June 13, 2019

The Honorable Mike McGuire, Chair  
Senate Governance and Finance  
State Capitol, Room 112  
Sacramento, CA 95814

RE: SUPPORT AB 784

Dear Chair McGuire:

TOM SCHWEDHELM  
Mayor

CHRIS ROGERS  
Vice Mayor

JULIE COMBS  
VICTORIA FLEMING  
ERNESTO OLIVARES  
JOHN SAWYER  
JACK TIBBETTS

On behalf of the City of Santa Rosa, I am writing to express support for AB 784 (Mullin). This bill would exempt zero-emission transit buses from the state portion of the sales tax through January 1, 2024.

As the operator of a municipal transit system, Santa Rosa CityBus, the City of Santa Rosa is committed to the goal outlined in the California Air Resources Board's Innovative Clean Transit (ICT) Rule to transition all transit buses to zero-emission technology by 2040. Furthermore, in keeping with the City of Santa Rosa Climate Action Plan, and City is taking steps to begin the transition to a battery-electric bus fleet ahead of the timeline outlined in the ICT Rule.

Despite the City's strong commitment to greenhouse gas reduction strategies and electrification of its transit fleet, the high cost of battery-electric buses presents a challenge. At present a 40' battery-electric bus can be expected to cost \$250,000-300,000 more than an equivalent diesel bus. Available state incentives such as the Hybrid and Zero-Emission Truck and Bus Voucher Program (HVIP) will play a key role in supporting this transition by reducing the cost of purchasing ZEBs; however, they fall short of covering the full incremental cost of these buses over conventionally-fueled buses. This sales tax exemption would provide an additional savings that can be invested into necessary upgrades to the City's electric vehicle charging infrastructure to support the transition to an all-electric bus fleet.

The City has been successful in winning two Federal Transit Administration grants totaling \$2.9 million for purchase of Santa Rosa CityBus' first four battery electric buses and anticipates placing an order for these buses in the coming months.

AB 784 would provide an immediate benefit to the City of Santa Rosa as we initiate our transition to an all-electric bus fleet and implement the infrastructure needed to support this transition. For this reason, I respectfully request that you support this bill.

Sincerely,



TOM SCHWEDHELM  
Mayor

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C: Assembly Member Kevin Mullin  
Santa Rosa City Council  
Assembly Member Marc Levine  
Assembly Member Jim Wood  
Assembly Member Eduardo Garcia  
Assembly Member Cecilia Aguilar-Curry  
Senator Dianne Feinstein  
Senator Kamala Harris  
Congressman Mike Thompson  
Emanuel Jones & Associates