



May 6, 2024

The Honorable Buffy Wicks  
Chair, Assembly Appropriations Committee  
1021 O Street, Suite 8220  
Sacramento, CA 95814

**RE: AB 2061 (Wilson) Sales and Use Tax: exemptions: zero-emission public transportation ferries.  
As Amended May 1, 2024 - SUPPORT  
Awaiting to be heard in the Assembly Appropriations Committee**

Dear Assembly Member Wicks,

The California State Association of Counties (CSAC), representing all 58 counties in the state, and the League of California Cities (Cal Cities), are pleased to support Assembly Bill (AB) 2061 (Wilson), which would establish, from January 1, 2025, until January 1, 2030, a new exemption for the purchase of zero-emission ferries by public transit agencies from the state portion of the sales and use tax.

This proposal would expand on previous legislative actions to exempt from the state portion of the sales and use tax the purchase of zero-emission buses purchased by public transit agencies through AB 784 (Mullin, Chapter 684, Statutes of 2019) and AB 2622 (Mullin, Chapter 353, Statutes of 2022). Importantly for cities and counties, the bill would aid local governments in complying with California Air Resources Board regulations that require local agencies to transition to full zero-emission ferry operations by December 31, 2025. While the regulations are important to improving local air quality, they are expensive and difficult for local agencies.

The local portion of the statewide sales and use tax helps fund a broad variety of county and city services ranging from anti-poverty programs, behavioral health services, and communicable disease control to regional parks, veterans' services, and weights and measures, among a litany of programs and services. AB 2061 would specify that this sales and use tax exemption does not apply to those state sales and use tax rates imposed or dedicated for local government funding, including those rates for which revenues are deposited into the Local Revenue Funds (i.e., 1991 and 2011 Realignment).

CSAC and Cal Cities appreciate Assembly Member Wilson's efforts in crafting AB 2061 in a manner that protects local services and realignment funds while recognizing that the biggest portion of the sales and use tax (and thus the biggest benefit for the buyer) is the state's share. As a result, the measure does not negatively impact the fiscal sustainability of counties and cities and aids local governments in improving their local air quality and complying with state regulations.

For these reasons, CSAC and Cal Cities are pleased to support AB 2061 and urge your AYE vote. If you have any questions about our position, please do not hesitate to contact us at [elawyer@counties.org](mailto:elawyer@counties.org) and [btriffo@calcities.org](mailto:btriffo@calcities.org).

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Sincerely,



**Eric Lawyer**  
Legislative Advocate  
California State Association of Counties



**Ben Triffo**  
Legislative Affairs, Lobbyist  
League of California Cities

cc. The Honorable Lori Wilson, California State Assembly  
Members of the Assembly Appropriations Committee  
Irene Ho, Principal Consultant, Assembly Appropriations Committee  
Joe Shinstock, Consultant, Assembly Republican Caucus