



FIONA MA, CPA
STATE BOARD OF EQUALIZATION
MEMBER, SECOND DISTRICT

May 13, 2016

To: Honorable Ricardo Lara, Chair of Senate Appropriations

From: Honorable Fiona Ma, CPA, State Board of Equalization, District 2

RE: Support For Assembly Bill 717 (Gonzalez)

I am pleased to offer my support to Assembly Bill 717 (Gonzalez), which exempts baby diapers from sales and use tax in the State of California.

Currently there is no sales tax exemption for baby diapers. Six states have a sales tax exemption for baby diapers (Massachusetts, Minnesota, New Jersey, New York, Pennsylvania and Vermont). The State of Connecticut is also considering similar legislation this year.

The average cost for diapers for an infant in California is estimated to be \$72 to \$100 per month. Diapers are currently excluded from federal and state assistance programs. Currently, child care programs require parents to supply 5-10 diapers per day. Many low-income parents who cannot afford these diaper costs for child care programs stay out of the workforce or do not pursue higher education or career technical programs. Studies show that low-income parents are frequently put in the position of changing infants' diapers less due to cost factors. This scenario creates an unhealthy scenario for infants and could lead to increased medical costs for low-income parents and for state health care programs.

This measure could save low-income parents an average of \$100 per annum. This figure is equivalent to an average month's worth of diaper purchases.

For these reasons I support and urge your AYE vote on Assembly Bill 717 (Gonzalez). Please feel free to contact my office if you have any questions.

In Peace and Friendship,

A handwritten signature in blue ink, appearing to be "Fiona Ma", is written over a blue horizontal line.

Chairwoman Fiona Ma, CPA.