



COUNTY OF MENDOCINO

Board of Supervisors

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CLERK OF THE BOARD

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June 2, 2026

Assemblymember Chris Rogers
State Capitol
P.O. Box 942849
Sacramento, CA 94249

RE: Sustainable Aviation Fuel (SAF) tax credit -Oppose

Dear Assemblymember Rogers,

On behalf of the Mendocino County Board of Supervisors, I am writing to express the County of Mendocino's opposition to the proposed Sustainable Aviation Fuel (SAF) tax credit included in the Governor's budget proposal. As drafted, this proposal would divert critical transportation dollars to a new SAF subsidy with uncertain additional benefits, no clear limitation to in-state production, and no adequate showing that the credit is necessary given recent changes in federal credits and market conditions.

This proposal would divert diesel excise tax revenues away from the roads, bridges, freight corridors, and local streets they are intended to support. The proposal is estimated to reduce diesel excise tax revenues by as much as \$165 million per year initially, growing to \$300 million annually over time, with potentially even larger impacts depending on credit claims. That means less funding for local streets, roads, and bridges. In our county alone this could lead to a reduction of between \$162,000 to \$583,000 annually, funds which are critically needed to address our existing road and bridge maintenance backlog.

This comes at the exact wrong time. California is already facing an estimated \$31 billion transportation funding shortfall over the next decade. With roads, highways, bridges, freight corridors, and local streets already facing significant maintenance and safety needs, the state should not further reduce diesel excise tax revenues to subsidize SAF.

It also cuts against the voter-approved principle that fuel tax revenues should support transportation purposes. Article XIX of the California Constitution provides that fuel tax revenues are to be used for the research, planning, construction, improvement, maintenance, and operation of public streets and highways, as well as certain public mass transit guideways and related facilities. California should not reduce voter-protected transportation resources to fund a new SAF subsidy.

The proposal is also not sufficiently targeted to California production. As drafted, the credit could provide substantial benefits to out-of-state SAF producers while reducing California transportation revenues. California should not cut into funding for its own roads and safety programs to subsidize

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production and economic activity elsewhere without a clear showing of additional in-state jobs, investment, and measurable benefits.

For these reasons the Mendocino County Board of Supervisors urges you to reject the proposed SAF tax credit as part of the budget package. If California considers SAF incentives in the future, they should be narrowly targeted, limited to truly additional in-state production, structured to protect transportation funding, and tied to measurable benefits.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bernie Norvell", with a long horizontal flourish extending to the right.

Bernie Norvell, Chair
Mendocino County Board of Supervisors