



SAN JOAQUIN
— COUNTY —
Board of Supervisors

Board of Supervisors

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April 22, 2026

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

Re: Support for Critical State Funding for Whole Orchard Recycling, Carbon Sequestration, and Public Health Improvements in 2026-27 State Budget

Dear Governor Newsom:

San Joaquin County respectfully request your support for critical State funding for the Whole Orchard Recycling, Carbon Sequestration Program (Alternatives to Open Burning) as the State finalizes funding priorities and allocations under the 2026–27 State Budget, including the May Revision and final budget agreement.

The San Joaquin Valley continues to face some of the most significant air quality challenges in the nation. The region is home to seven of California’s ten most disadvantaged communities and remains in nonattainment for the Federal ozone and PM2.5 standards. Additionally, the San Joaquin Valley is implementing a first-of-its-kind, State-mandated phase-out of agricultural open burning in partnership with CARB. The San Joaquin Valley is the only region subject to a full phase-out mandate, creating a disproportionate burden on this region. Recognizing the significance of this transition, the State appropriated \$180 million in 2021 to support implementation over an anticipated three-year period. That investment has been critical to advancing alternatives to agricultural burning and substantially reducing the amount of material historically managed through open burning, particularly as changing State policies have contributed to the near-complete retirement of historically available biomass energy alternatives. This funding has been fully expended and this critical program has not received a dedicated appropriation for the past two fiscal years, despite ongoing statutory requirements. This is a proven, State-mandated program that is now at serious risk of failure due to lack of funding. Without timely budget action, California risks losing critical air quality gains in the San Joaquin Valley, imposing unreasonable burdens on agriculture, and impeding its environmental policy goals.

Unfortunately, the 2026–27 proposed budget **does not currently include funding for this program**, which is now at risk of significant disruption given high demand and little remaining funding. Alternative practices add thousands of dollars per acre of additional cost to growers, which often cannot be absorbed or passed on in highly competitive global commodity markets. Demand is rapidly increasing due to SGMA-driven land transitions, drought, and market pressures.

Growers lack viable compliance pathways, and without additional funding to assist in defraying the significant cost of alternatives, the open burning phase-out risks becoming increasingly infeasible in practice for many affected farms.

Importantly, the program has produced substantial public health, air quality and climate benefits. Approximately, \$250 million in total public investment, coupled with more than \$280 million in grower match funding, has supported implementation across 327,758 acres and diverted approximately 8.7 million tons of material from open burning, with a strong focus on supporting small growers. Emissions reductions include 16,869 tons NO_x, 31,375 tons PM, 26,792 tons ROG, and more than 1.1 million metric tons of CO₂e. Whole orchard recycling and related practices also provide additional climate and resiliency benefits through carbon sequestration, improved soil health, and increased water retention.

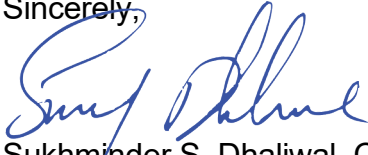
Absent renewed funding, California risks slowing or stalling continued progress under this program, foregoing further air quality and public health benefits in one of the State's most impacted regions, and placing severe economic pressure on Valley agriculture and the communities that depend on it. The consequences may also include unmanaged agricultural land, increased pest and disease concerns, elevated fire risk, and broader community impacts.

Additional funding is urgently needed to sustain this progress, particularly for small and mid-sized growers facing high transition costs, limited biomass facility capacity, and ongoing water and land use constraints. Therefore, San Joaquin County respectfully requests that the Administration include the following funding proposal in the 2026-27 State Budget and support its adoption in the final budget package:

Provide \$75 million annually for 5 years to sustain implementation. This will support processing of over 2 million tons of material annually and achieve approximately 20,000 tons of additional emissions reductions while advancing climate, soil, and water benefits.

Thank you for your consideration and leadership in ensuring that this important program remains a pillar in the State's strategy to further improve air quality, public health, and the economic vitality of the San Joaquin Valley.

Sincerely,



Sukhminder S. Dhaliwal, Chair
San Joaquin County Board of Supervisors

- c: The Honorable Monique Limón, President Pro Tempore, California State Senate
The Honorable Robert Rivas, Speaker of the California State Assembly
The Honorable John Laird, Chair, Senate Committee on Budget and Fiscal Review
The Honorable Jesse Gabriel, Chair, Assembly Committee on Budget
The Honorable Eloise Gómez Reyes, Chair, Senate Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection and Energy
The Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy and Transportation
Yana Garcia, Secretary for Environmental Protection
Lauren Sanchez, Chair, California Air Resources Board
Dr. Steven Cliff, Executive Officer, California Air Resources Board
Sarah Swig, Senior Advisor for Climate, Office of Governor Newsom
Wade Crowfoot, Secretary for Natural Resources
Amanda Hansen, Deputy Secretary for Climate Change, Natural Resources Agency
Karen Ross, Secretary of Agriculture
Joe Stephenshaw, Director, Department of Finance
Matt Almy, Program Budget Manager, Natural Resources, Environment and Climate Energy