



November 13, 2015

Shelby Livingston  
Climate Investments Branch Chief  
California Air Resources Board  
1001 I Street Sacramento, CA 95812

**Re: Comments on Draft Second Cap-and-Trade Auction Proceeds Investment Plan: Fiscal Years 2016-17 through 2018-19**

Dear Ms. Livingston,

Thank you for providing the opportunity to comment on the **Cap-and-Trade Auction Proceeds Second Investment Plan**. These comments have been prepared by Pesticide Action Network (PAN) and are supported by the 190+-member statewide coalition Californians for Pesticide Reform.

With 22,000 California members, PAN has worked for over 30 years to protect workers, children and rural communities from health hazards associated with the use of hazardous pesticides. A key strategy of this work is to support the widespread implementation of agroecological practices that not only reduce the need for synthetic, petroleum-derived pesticides and fertilizers, but also provide notable benefits in terms of on-farm GHG reductions, building long-term soil health with concomitant increases in soil organic matter associated with carbon sequestration.

The statewide coalition Californians for Pesticide Reform is dedicated to protecting public health, improving environmental quality, and advancing a sustainable and just agricultural system and is made up of more than 190 organizations around California, including public and children's health organizations; farmworkers; farmers and agriculture advocates; environmental justice, labor, education, social justice and environmental groups; clean air and water interests; and parent and faith organizations. In addition to the environmental and community benefits of widespread implementation of agroecological practices, we support prioritizing Cap and Trade proceed investments in service of disadvantaged communities, especially those that suffer the greatest consequences of exposure to agricultural chemicals in the air and water, but also as potential beneficiaries of the economic opportunities afforded by implementation of diverse, often year-round ecological farming practices.

Overall, we join CalCAN and its member organizations in our support of many of the details in the Second Investment Plan. We note that multiple agricultural solutions are highlighted across all three Investment Concept areas. It is clear that greater attention to and support for agricultural climate investments are long overdue. As the draft Plan notes, near-term actions to protect and improve the management of working lands can yield considerable dividends for years down the line.

Furthermore, we especially appreciate the recognition of the need for state outreach and support to ensure disadvantaged communities are aware of, and have access to, the range of GGRF program opportunities and understand program application requirements.

**General comment on the Plan**

The draft Plan, as described on page ES-4, is focused on the 40 percent of the GGRF that is not continuously appropriated. Given that the vast majority of the continuously appropriated funds are

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designated for transportation-related solutions, we strongly encourage ARB and the Governor's administration to use the remaining 40 percent of the GGRF to realize GHG emission reductions through non-transportation strategies.

California's economy and landscapes are considerably diverse. By investing in multi-sector GHG emission reduction strategies, we can harness the power of this diversity in ways that meet and exceed AB 32 goals while also providing multiple benefits to our communities. The *Investment Plan* should reflect the diversity of strategies available to California, rather than considering the 40 percent balance of GGRF as a way to provide even greater transportation-related funding. We cannot afford to overlook opportunities to achieve multiple goals through the GGRF expenditures, including improved resilience for our communities.

## **Comments on the agricultural portion of the Plan**

### **1. Include additional agricultural management practices that reduce greenhouse gas emissions, including nitrous oxide and methane.**

We are concerned with the Plan's exclusive focus on carbon sequestration and neglect of the range of transformative farming practices that can produce real, verifiable GHG reductions as well as co-benefits to the environment, the grower and surrounding communities. While we are encouraged to see language in the draft Plan that suggests broader recognition of GHG-reducing management practices (e.g. on pages 44 and 47), there is opportunity to improve the language to ensure that multiple agricultural climate strategies are included.

With slight modifications, we reiterate the following recommendations made under separate cover by CalCAN.

1. Modify the first sentence on page 4 of the draft Plan to read:

Applying compost to rangelands **and agricultural lands, along with the use of low-input, agroecological management and organic farming systems,** can further the State's Healthy Soils Initiative, **reduce GHGs including nitrous oxide and methane,** and sequester carbon...

2. Modify the third paragraph on page 47 of the draft Plan to read:

Improving the health of agricultural soils with **the use of** compost, **cover cropping, crop rotations, conservation tillage,** and **other** improved farming practices **can** increase the carbon storage capacity of soils **and reduce overall GHG emissions while reducing** air and water and synthetic fertilizer **and pesticide** use. [...]

### **2. Recognize the role of organic and sustainable agricultural practices in addressing the multiple goals of investment in auction proceeds, especially for disadvantaged communities:**

As recognized by the USDA and included in CDFA-facilitated discussions of Governor Brown's Healthy Soils Initiative, we encourage ARB to explicitly recognize the practices and science of agroecology. Multiple studies<sup>1</sup> have shown that agroecological farming has been shown to:

- **Increase ecological resilience,** especially with respect to volatile weather conditions;
- **Improve health and nutrition** through more diverse, nutritious and fresh diets and reduced incidence of pesticide poisonings and pesticide-related diseases;

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<sup>1</sup> a) Renewable Agriculture and Food Systems / Volume 22 / Issue 02 / June 2007, pp 86-108, Cambridge University Press 2007.

b) Replacing Chemicals with Biology: Phasing out highly hazardous pesticides with agroecology. Meriel Watts and Stephanie Williamson. PAN International, 2015.

- **Conserve biodiversity and natural resources** such as soil organic matter, water, crop genetic diversity and natural enemies of pests;
- **Improve economic stability** with more diverse sources of income, spread of labor needs and production over time, and reduced vulnerability to commodity price swings; and
- **Mitigate effects of climate change** through reduced reliance on fossil fuels and fossil fuel-based agricultural inputs, increased carbon sequestration and water capture in soil.

Agroecological farming can double food production within 10 years while mitigating climate change and alleviating poverty.<sup>2</sup> Agroecological farming recognizes the multifunctional dimensions of agriculture, including the production of food, jobs and economic well-being as well as the delivery of ecosystem services like pollination, natural pest control, soil health, nutrient and water cycling and erosion control.

Therefore, explicit recognition of and support for diverse agroecological practices directly address all of the goals of investment in auction proceeds:

- Maximize economic, environmental, and public health benefits to the State;
- Foster job creation by promoting in-State greenhouse gas emission reduction projects carried out by California workers and businesses;
- Complement efforts to improve air quality;
- Direct investment toward the most disadvantaged communities and households in the State, including allocation of at least 10 percent of the investments to projects located within disadvantaged communities, and 25 percent to projects benefitting those communities;
- Provide opportunities for businesses, public agencies, nonprofits, and other community institutions to participate in and benefit from statewide efforts to reduce greenhouse gas emissions; and
- Lessen the impacts and effects of climate change on the State’s communities, economy, and environment.

We encourage ARB to consider specifically allocating resources to support the emerging concept of “agricultural innovation zones” around schools in rural California where students currently face routine exposures to agricultural chemicals known to be harmful to children’s health.<sup>3</sup> Support from auction proceeds would enable farmers to transition to sustainable, carbon-conserving practices in these no-spray buffer zones.

### **3. Recognize the need for improved outreach and technical assistance to rural agricultural operators outside of disadvantaged communities.**

The draft Plan’s added focus on improving “outreach and awareness of all funding programs” (page 2-3) to disadvantaged communities is excellent, and much needed, as are the goals to increase rural community participation (page 3-4).

Some of the more rural, hard-to-reach agricultural communities in the state that contain smaller, less-resourced agricultural operations could also benefit from improved outreach and awareness of funding programs. However, as others have noted in their comments, many of these rural communities fall outside of the state’s designated ‘disadvantaged community’ tracts.

We recommend a plan of action, akin to the disadvantaged communities outreach approach noted in the draft *Plan* that would ensure adequate access to funding programs by agricultural operators in rural communities.

<sup>2</sup> “Agroecology and the Right to Food”, presented at the 16<sup>th</sup> Session of the United Nations Human Rights Council.

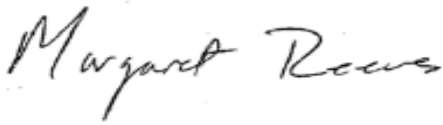
<sup>3</sup> CDPH. 2014. Agricultural Pesticide Use Near Public Schools in California, April 2014. California Department of Public Health, California Environmental Health Tracking Program. [http://cehtp.org/projects/ehss01/pesticides\\_and\\_schools/Pesticides\\_Schools\\_Report\\_April2014.pdf](http://cehtp.org/projects/ehss01/pesticides_and_schools/Pesticides_Schools_Report_April2014.pdf).

We recommend modifying the final paragraph on page 3 to read:

To expand the opportunities available and increase participation of rural communities in climate investments, the State may need to consider additional programs or expansion of current programs. **The State might also consider a targeted effort to increase outreach and awareness of these programs in rural communities, including a focus on technical assistance to ensure the competitiveness of applicants from these areas.**  
[...]

We thank you for the opportunity to provide these comments and look forward to seeing the final Investment Plan.

Sincerely,



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Pesticide Action Network



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