June 24, 2022

Ms. Rajinder Sahota
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: 2022 Draft Scoping Plan

Dear Ms. Sahota,

Thank you for the opportunity to comment on the 2022 Draft Scoping Plan (Draft). The undersigned coalition of agricultural and business interests collectively represent a majority of the State's proprietors of private forest and working lands, particularly agricultural lands, and strive to protect and improve the ability of farmers and ranchers to provide a reliable supply of food and fiber.

While we are pleased to see one of the more realistic Natural and Working Lands (NWL) Scenarios, Scenario 3, be proposed by California Air Resources Board (CARB) staff, we still have some concerns with the potential impacts to agriculture and rural communities.

Scenario 3 proposes an increase in climate smart agricultural practices and while we share this goal, we believe that a more accurate baseline or Reference Scenario would compel greater success. The Reference Scenario for NWL represents the amount of land management that occurred between 2001 and 2014, and projects the outcomes from maintaining the 2001–2014 levels of land management until 2045,[1] yet California farmers and ranchers have made significant investments to reduce carbon emissions and increase sequestration since then. According to the U.S. Department of Agriculture's Natural Resource Conservation Service, the number of acres receiving support for climate smart practices has increased to nearly 778,000 acres in 2020.[2] This does not include the over 54,638 acres under a Healthy Soils Program management practice incented by the California Department of Food and Agriculture or the tens of thousands of acres under a voluntary and self-funded management practice (such as compost application or no-till) on California's 9.5 million irrigated acres.[3] The latest report by the Legislative Analysts' Office cites that the state's programs alone result in a 2.5 MMTCO2e benefit annually.[4] We encourage CARB to comprehensively evaluate the historical implementation of practices during the baseline years and adopt a tracking/surveying strategy moving forward that, to the best of its ability, includes all acres utilizing a climate smart practice, including those not funded by state or federal resources.

Additionally, as the success of these on-farm investments occurred using voluntary incentives, we recommend this paradigm continue. Partnering with agriculture through climate smart programs is the most meaningful way to increase the pace and scale of practice adoption to reduce carbon emissions and increase sequestration on working lands, thereby achieving carbon neutrality. This same consideration should be made for equipment turn over to more energy efficient ones, including on farm equipment such as, tractors, combines, harvesters, forklifts, etc. Significant and consistent investment in programs such as Carl Moyer and the FARMER Program have had demonstrable and immediate air quality benefits in areas such as the Central Valley while providing farms and ranches with breathing room to adapt. We appreciate consideration in the draft scenario to continue to fund this endeavor.

The proposed scenario also aims to increase organic agriculture to 20% of all cultivated acres by 2045 (~65,000 acres annually). While we support organic farms and ranches, we believe it is not the role of the state to pick winners and losers and any such program would fail to account for the very site specific and operationally specific challenges and opportunities that enabled someone to make an investment in organic production and, hopefully, achieve a market return that allows for a financially sustainable farm or ranch. As organizations and leaders representing both conventionally and organically produced crops, we agree that some soil management and farming practices included in organic certification can contribute to increased soil carbon sequestration. These practices, however, are not the exclusive domain of organic producers, with many "conventional" farmers incorporating them into their operations.

Furthermore, as with all choices, choosing to utilize an organic production system, comes with trade-offs. For instance, organic production, with its lower yields, needs a higher price in the market (the organic

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[1] https://ww2.arb.ca.gov/sites/default/files/2022-05/2022-draft-sp.pdf, pg. 63

[2] USDA-NRCS. Conservation Stewardship Program. Conservation Stewardship Program (CSP) | Farm Bill Report (FY 2009 through FY 2020) | NRCS (usda.gov) and Environmental Quality Incentive Program. Environmental Quality Incentives Program (EQIP) | Farm Bill Report (FY 2009 through FY 2020) | NRCS (usda.gov)

[3] California Department of Food and Agriculture, Office of Environmental Farming and Innovation. (2021). HSP one pager (ca.gov)

[4] Petek, G. (2021). Assessing California's Climate Policies—Agriculture. Legislative Analysts' Office. Assessing California's Climate Policies—Agriculture

premium) and requires more land, water, workforce and equipment per unit grown. This volitional inefficiency will increase emissions as food production moves to Arizona, Mexico, Chile and beyond (i.e., leakage).[5] The amount of food consumed in our state is not tied to how much food is produced here; in short, the less food that is produced in state, the more its residents will buy from out of state. This will weaken any true carbon reduction and environmental benefits provided in state and will likely exacerbate the state's climate woes. It also undercuts the people and operations that have made investments that require the organic premium to stay solvent. Subsidizing new entrants into the organic market will give these new entrants a competitive advantage and reduce the price premium available to producers, this further harming existing operations.

We are unaware, at this date, of research exploring the full consequences for net greenhouse gas emissions in shifting from conventional to organic food production on a large scale. Therefore, as the state proposes to increase the transition to organic production, we encourage CARB to work with its sister agencies to perform said lifecycle analyses.

Organic farming has increased year to year, but as noted, it is not without its challenges to the California farmer and rancher. Based on fluctuating markets, lack of labor availability, lack of organic inputs available and affordable, water availability, or pest pressures, farmers transition their lands in and out of organic production. Many growers choose to incorporate the soil-based practices of organic farming but do not pursue certification because of associated costs of compliance and the regulatory burdens. It is important CARB consider and respect that the agronomic, philosophic, and financial variables farmers contemplate in considering conversion to organic production are farm, business and site-specific.

Nevertheless, we expect organic production to increase over time, but acknowledge that it will plateau at a point where supply meets consumer demand and the profit margins available to farmers remains positive. Should the state, however, exceed this theoretical market limit and pursue a policy of organic expansion without considering the impacts to farms, as was the case in Sri Lanka, impacts could be significant.[6] A faux demand could lead to oversupply, undermining the organic premium price, increasing production costs, disincentivizing transitions, and have the unintended consequences of increasing the barriers to entry for new or socially disadvantaged farmers and ranchers. It would result in increasing California-grown food costs to all communities, including the food insecure, compounding the detrimental effect of food inflation on our most vulnerable populations. For these reasons, we encourage CARB to allow the natural curve of organic adoption by California growers to occur uninterrupted. The increase in organic production can occur "organically," thus furthering the state's climate goals without resulting in unintended negative consequences because it reflects the market opportunity for conversion within agri-business realities.

We were pleased to see that Draft does not reflect any stated synthetic pesticide reductions and agree with Secretary Blumenfeld that pesticides do not fall into the of the scope of Draft. Science supports that use of both synthetic and biological pesticides. Crop protection tools–those made by man and those made by nature—help farmers and ranchers meet the global demand for food, feed, fiber, and fuel by protecting

[5] Smith, L.G., Kirk, G.J.D., Jones, P.J. *et al.* The greenhouse gas impacts of converting food production in England and Wales to organic methods. *Nat Commun* **10,** 4641 (2019). https://www.nature.com/articles/s41467-019-12622-7

[6] Wipulasena, A. & Mashal, M. (December 7, 2021). "Sri Lanka's Plunge Into Organic Farming Brings Disaster." N.Y. Times. Sri Lanka's Plunge Into Organic Farming Brings Disaster - The New York Times (nytimes.com)

harvests from pests and disease (thereby reducing waste), maximizing yields, improving the efficient use of other agricultural inputs, and allowing farmers to adopt sustainable and efficient practices with low cost and high benefit. Studies suggest that pest proliferation will only become more pervasive with climate change; thus, the agricultural community needs a variety of effective and affordable tools available to respond.

It is vital in this context to emphasize that the AB 32 Global Warming Solutions Act charts a course to reduce greenhouse gas emissions. CARB has noted on several occasions, that the chemicals in agriculturally used pesticides are not identified within the scope of the act and for some, such as nitrous oxide, research is insufficient to positively identify the resulting impacts. To that end, and until such definitive research is conducted and/or identified, we encourage CARB maintain its focus on the identified practices that demonstrably increase carbon stocks and reduce emissions.

We would like to take the opportunity to remind CARB staff and board leadership of the current efforts underway by the appropriate state agencies and departments to reduce the use and impact of synthetic pesticides and accelerate the adoption of sustainable pest control practices. The Department of Pesticide Regulation, in addition to the U.S. Environmental Protection Agency and CARB, review and re-evaluate (if necessary) pesticidal products for their air quality impacts and emissions, including volatile organic compounds, to ensure the safety of California residents. Ongoing monitoring and mitigation are conducted through DPR's air monitoring network and CARB's AB 617 Community Air Protection Program allows communities to develop plans and implement local strategies to measure air pollution and reduce its impacts. Further, the California Department of Food and Agriculture manages the Biologically Integrated Farming System program aimed to reduce the need for chemical pesticide inputs. Additionally, the state has initiated a 26-member Sustainable Pest Management Work Group to make recommendations to minimize the use of pesticides and expand integrated pest management practices. Finally, researchers and extension specialists within the University of California Statewide Integrated Pest Management Program, with state and federal resources, are specifically charged to draw on cutting edge research and expertise to support safe and effective pest management strategies. This is not an exhaustive list and only notes some of the efforts underway by state, federal, local, and private entities to achieve a similar end.

We also appreciate the state's setting intention to better conserve agricultural land and manage forest lands. The Draft proposes to enroll 6,000 acres of agricultural land under "conservation easements" and actively manage two to three million acres of forestland and rangelands annually. We believe that these figures are too conservative. The 6,000-acre annual goal proposed in the Draft is laudable, we believe that more may be achieved through an ambitious and broader goal. Firstly, the proposed goal appears to only include croplands. Conservation of this land type, however, based on our understanding of both the capacity of land trusts and need of the farming community, we believe that the acreage protected annually should be at least at the rate of general farmland loss in California. It should also include land protection of rangeland and specify that the mechanisms for protection be agricultural conservation easements, conservation easements, or other tools. Finally, considering California has been the victim of extreme weather events, including the top five most destructive fires in the last twenty years, we believe that the scale of annual acreage management for fire risk should be more than two to three million acres. The emissions from annual catastrophic wildfire events eclipse emissions associated from other industry

sectors, short of transportation, and therefore, more resources and commitments should be dedicated to this component of the Draft.

Finally, while this letter focuses more on the NWL Scenario in the Draft, we would be remiss if we didn't mention some of the potential impacts stemming from the AB 32 Greenhouse Gas proposed scenario (GHG Draft).

To begin, we would like to remind CARB of the success of the incentive-based approach for dairy digesters. Because of this success, producing a glass of milk from a California dairy cow generates 45% less GHG emissions, using 89% less land and 88% less water today than it did 50 years ago. Dairy farm families are willing to go above and beyond to partner with the state to achieve California's ambitious climate goals. However, switching from an incentive-based approach to a heavy-handed regulatory approach will only add to the continued loss of our rural farms and families. Simply put, California will not be able to meet its ambitious goals without digesters.

We also appreciate that carbon sequestration activities on natural and working lands can work in conjunction with advanced technology. As more findings become available on the potential of scaling carbon capture and storage technology, the pore space under acreage of fallowed, former, or non-prime farmland from historic drought or implementation of the Sustainable Groundwater Management Act will be ripe for use. The same can be said for other methods of renewable energy generation. We encourage CARB to let technology guide our climate capture action, not minority public opinion, and encourage public-private partnerships, facilitating relationships between project developers and landowners, as is the case with dairy digesters, to put this land to use.

Lastly, like many other business entities, we are concerned that the goals stated in the GHG Draft could have significant cost impacts on businesses as well as impact grid reliability. As an essential business, California agriculture and food production relies on a stable energy supply. In the event of a Public Safety Power Shutoff (PSPS), cooling systems would be without power leading to the spoilage of the food our crops produce. The energy costs associated with the lofty goals of the Draft will also be borne by farm and rural rate payers, increasing the costs of food production and lead to even more farmers leaving the state. It is imperative for CARB staff to consider the economic feasibility and energy reliability when adopting the Scoping Plan later this year.

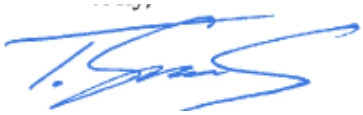
California's farmers and ranchers live on the frontlines of climate change impacts on the daily lives and livelihoods, experiencing worsening drought, wildfires, diminishing soils, pest proliferation, and severe weather events. These climate-driven challenges are compounded by increased regulation, greater competition, changing consumer preferences and labor shortages. And yet, the state's agricultural community offers an invaluable service to the world, providing an abundant, healthy, safe, and affordable food supply. However, in order for working lands' conservation values to be realized, their working value must be sustained. Therefore, any such carbon sequestration or greenhouse gas emission reduction functions must work in tandem with, not against, this landscape's ability to provide economic benefits to the communities that depend upon them. We encourage CARB, while calling upon working lands to be a part of the climate solution, to consider these broader and more significant human, environmental, and economic health benefits California agriculture provides and pursue scenarios and management strategies that do not undermine these primary objectives.

On behalf of the agricultural community, we thank you again for the opportunity to provide comment. We hope to encourage a partnership between agriculture and CARB staff and leadership moving forward.

Respectfully,

Will Scott, Jr., President
African American Farmers of California

Dani Diele, Membership & Public Policy Coordinator
Agricultural Council of California



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