



August 25, 2025

Senate Pro Tem Mike McGuire

Assembly Speaker Robert Rivas

Senator Monique Limón  
Chair, Senate Climate Working Group and  
Natural Resources and Water Committee

Assemblymember Jacqui Irwin  
Chair, Joint Climate Committee and  
Assembly Climate Working Group

## Re: Request 15% of GGRF for Agricultural Climate Solutions

Dear Speaker Rivas, Pro Tem McGuire, Assemblymember Irwin, and Senator Limón:

Climate change poses a serious threat to California's agricultural industry. Increasingly frequent and extreme wildfires, storms, droughts, and heat waves are already [increasing the cost of food](#), causing [significant economic losses](#) in rural communities, and contributing to the [loss of an average of 1,500 farms per year](#) in California. Solving this challenge requires investments in holistic solutions and the capacity to scale them up over time.

We support the intention expressed in the August 18 AB 1207 (Irwin) RN to direct specific percentages of the Greenhouse Gas Reduction Fund (GGRF) revenues to seven categories, including agriculture, with appropriations within each of those categories to be guided by category-specific multiyear spending plans. **This approach balances consistency of funding for the agricultural sector and administering agencies with flexibility for the legislature to incrementally adjust program funding levels over time** in response to changes in program demand and efficacy, federal funding, new technologies, regulatory pressures, and adoption curves. **We urge the legislature to direct 15% of GGRF to agriculture and to use the framework below to guide future spending plans and appropriations.**

The state legislature and state agencies have established a number of ambitious targets for agricultural climate solutions in the [Scoping Plan](#), [SB 1383](#), and [AB 1757](#), including targets to reduce dairy manure methane, increase healthy soils practices, increase organic acreage, electrify agricultural energy use, and conserve croplands and grasslands. The state has also

established a suite of cost-effective incentive programs to advance these solutions that have a multitude of benefits beyond GHG reduction, including:

- saving farmers thousands of dollars per year on energy, water, fertilizers, and pesticides;
- increasing farms', ranches', and communities' resilience to extreme weather;
- increasing biodiversity and wildlife habitat;
- reducing dust, pesticides, nitrates, and other sources of air and water pollution that affect farmworkers and low-income rural communities.

Farmer demand for these programs has typically outpaced available funding by two to three times. However, these programs have suffered from inconsistent, boom-and-bust funding cycles, which has discouraged some farmers and ranchers from applying and placed significant strain on state agencies administering wildly fluctuating levels of one-time funds.

The agricultural industry has also been underfunded relative to its share of statewide GHG emissions. Though the sector is currently responsible for 8% of emissions *and* has the capacity to [sequester significant carbon](#), the sector has only received 5% of all GGRF funds to date.

Under-investment in agricultural climate solutions has a price: in the loss of multigenerational family farms and local food production, in the permanent loss of farmland, and in the missed opportunity to turn a source of emissions into a sink. That's why we urge the legislature to prioritize solutions that meet basic human needs – healthy food, clean air, and clean water – by investing 15% in agricultural climate solutions.

#### **Proposed GGRF Framework for Agriculture**

- Direct 15% of GGRF, starting in FY 2026-27, to agricultural climate solutions (see the table below and corresponding amendments to the GGRF statute attached).
- Determine appropriations to specific programs that advance these solutions through the annual budget process.
- Enshrine in statute the administration's existing commitment to allocate 10% of the Affordable Housing and Sustainable Communities Program's (AHSC) 20% continuous appropriation to the Sustainable Agricultural Lands Conservation Program (SALC).

<b>GHG Emissions Sources in Ag</b>	<b>Agricultural Climate Solutions</b>
Livestock methane (CH <sub>4</sub> )	Increase adoption of livestock manure methane reduction strategies
Nitrous oxide (N <sub>2</sub> O)	Improve irrigation efficiency and nutrient management
Carbon dioxide (CO <sub>2</sub> ) from soil carbon loss, production of fossil fuel-based inputs, and burning of agricultural waste	Improve soil health, enhance soil carbon sequestration, and support organic systems, climate smart agriculture, and alternatives to agricultural burning

Carbon dioxide (CO <sub>2</sub> ) from combustion engines and other agricultural energy use	Decarbonize agricultural energy use
Agricultural land loss and conversion to higher GHG land uses	Prevent farmland conversion and increase secure land tenure
Increase technical assistance to support the solutions above and improve farmer access to climate disaster relief funds	

Sincerely,

Brian Shobe  
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Helen Dodd  
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Dave Henson  
Executive Director  
Occidental Arts and Ecology Center

### **Attachment: Proposed Amendments to Current GGRF Statute**

We propose the following amendments (in blue) to the existing continuous appropriations statute (HSC Section 39719). Please see subparagraph (b)(1)(C) for SALC and subparagraph (b)(5) for the set-aside for agricultural climate solutions starting in FY 26-27.

CHAPTER 4.1. Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act [39710 - 39723] (*Chapter 4.1 added by Stats. 2012, Ch. 807, Sec. 2.*)

#### **39719.**

(b) (1) (C) Twenty percent of the annual proceeds of the fund is hereby continuously appropriated to the Strategic Growth Council for the Affordable Housing and Sustainable Communities Program created by Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code. Of the amount appropriated in this subparagraph, no less than 10 percent of the annual proceeds of the fund shall be expended for affordable housing, consistent with the provisions of that program. *Of the amount appropriated for the Affordable Housing and Sustainable Communities Program, no less than 10 percent shall be appropriated to the Department of Conservation for the Sustainable Agricultural Lands Conservation Program.*

...

*(b) (5) Beginning in the 2026–27 fiscal year, and until June 30, [year], 15 percent of the annual proceeds of the fund shall be appropriated to support the following agricultural climate solutions to reduce methane, nitrous oxide, and carbon dioxide emissions and increase carbon sequestration:*

*(A) Increase adoption of livestock manure methane reduction strategies*

*(B) Improve irrigation efficiency and nutrient management*

*(C) Improve soil health, enhance soil carbon sequestration, and support organic systems, climate-smart agriculture, and alternatives to agricultural burning*

*(D) Decarbonize agricultural energy use*

*(E) Prevent farmland conversion and increase secure land tenure*

*(F) Increase technical assistance to support the solutions above and improve farmer access to climate disaster relief funds*